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INTESA SANPAOLO S.P.A.

Company included in the National Register of Banks with no. 5361.

Parent Company of the Intesa Sanpaolo Banking Group

included in the National Register of Banking Groups

Registered address in Turin, Piazza San Carlo, 156

Secondary registered office in Milan, Via Monte di Pietà, 8

Share Capital Euro 9,085,663,010.32

Registration number on the Turin Company Register and fiscal code: 00799960158

VAT number: 11991500015

Member of the National Interbank Deposit Guarantee Fund and of the National Guarantee Fund

SECURITIES NOTE

Securities Note submitted to Consob on 26 June 2020 after notification that Consob had issued its approval of the Securities Note with a notice on 25 June 2020 protocol no. 0609570/20. Publication of the Securities Note does not imply any judgement by Consob on the appropriateness of the proposed investment and on the validity of the data and information contained in the document.

The Securities Note must be read together with the Registration Document of Intesa Sanpaolo S.p.A., submitted to Consob on 26 June 2020 after notification that Consob had issued its approval of the Registration Document with a notice on 25 June 2020, protocol no. 0609568/20, and the Summary of Intesa Sanpaolo S.p.A., submitted to Consob on 26 June 2020, after notification that Consob had issued its approval of the Summary with a notice on 25 June 2020, protocol no. 0609570/20. Together, the Registration Document, the Securities Note and the Summary constitute the Prospectus.

The Prospectus is valid for 12 months from the approval date of the Securities Note. It will no longer be mandatory to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies when the Prospectus is no longer valid.

The Securities Note, prepared in compliance with Regulation (EU) 1129/2017 and article 13 of the Commission Delegated Regulation (EU) 2019/980, is made available to the public, together with the Registration Document and the Summary, at the registered office of Intesa Sanpaolo S.p.A. in Turin, Piazza San Carlo 156 and at the secondary registered office of Intesa Sanpaolo S.p.A. in Milan, Via Monte di Pietà 8, as well as on the website of the Issuer (group.intesaspanpaolo.com).

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PART A

RISK FACTORS

The transaction described in the Securities Note presents the typical risk elements of equity investments in listed securities. To make an informed investment decision, investors are advised to carefully read the following risks factors, as well as the risk factors associated with the Issuer, the Group and the sector in which they operate, as listed in the Registration Document. The risk factors must be read together with the additional information provided in this Securities Note and in the Registration Document and the Summary. Part A of the Securities Note presents only those risks which the Issuer deems to specifically relate to the New Shares, provided for the purpose of making an informed investment decision, considering the likelihood that they will occur and the expected magnitude of their negative impact.

As the New Shares constitute risk capital, the investor might lose all or part of the invested capital.

Unless otherwise stated, the references to Sections and Paragraphs refer to Sections and Paragraphs of this Securities Note.

A.1 RISK FACTORS LINKED TO THE ISSUER'S SECURITIES

A.1.1 Risks linked to the volatility and liquidity of the Shares

On 17 February 2020, the Board of Directors of the Issuer adopted the decision to launch the Public Exchange Offer for the Acquisition of control of UBI Banca (the "Offer"). The Offer was announced by means of two press releases published by the Issuer on the same date, in accordance, respectively, with article 102, paragraph 1, of the Consolidated Law on Finance and article 37, paragraph 1, of the Issuers' Regulation and article 17 of Market Abuse Regulation. The Public Exchange Offer is made for a maximum total of no. 1,144,285,146 UBI Shares – including the treasury shares held by UBI Banca – representing the entire share capital of UBI Banca and provides that for each UBI Share tendered in acceptance of the Offer, the Issuer will pay a Consideration consisting of no. 1.7000 newly-issued ordinary shares of ISP, with no nominal value, regular dividend entitlement and the same characteristics as the ordinary ISP shares already outstanding on the issue date, which will be listed on the Mercato Telematico Azionario. The ISP Shares tendered as Consideration will be issued through a share capital increase of ISP, without the pre-emption rights pursuant to article 2441, paragraph 4, of the Italian Civil Code, reserved to the acceptors of the Offer, to be executed through (and in compensation of) the contribution in kind of the UBI Shares tendered in acceptance of the Offer, by issuing a maximum of no. 1,945,284,755 New Shares, with regular entitlement to dividends and having the same characteristics as the ordinary shares already outstanding at the date of issuance.

On 17 February 2020, the Issuer and BPER signed the BPER Agreement, which provides for BPER's commitment to acquire a business unit composed of bank branches of the ISP Group, as integrated upon completion of the Offer (that will be comprised by branches of the ISP Group after its integration with UBI Banca and not represented only by branches of the former UBI Banca) and related staff and customer relationships. On the same date, the Issuer and Unipol signed the Unipol Agreement, which provides for a commitment by Unipol to acquire, directly or through subsidiaries, the business units referring to the insurance companies currently held by UBI Banca (i.e. BancAssurance Popolari S.p.A., Lombarda Vita S.p.A. and Aviva Vita S.p.A.), composed of the life insurance policies entered into by the customers of the Banking Business Unit and the related assets, liabilities and legal relationships. On 19 March 2020 – for the purpose of reviewing the mechanism for calculating the consideration for the Banking Business Unit, making it variable based on the market conditions existing on the date of completion of the Public Exchange Offer – the parties signed a supplementary agreement to the BPER Agreement. Then, on 15 June 2020, the Issuer, in order to remove the specific critical antitrust issues evidenced by AGCM (the Italian Antitrust Authority) in the Notification of the Results of the Review served on 5 June 2020, negotiated and signed an agreement supplementing the BPER Agreement, through which the number of branches to be transferred was increased (from 400-500 to 532), with precise identification of the addresses and consequent redefinition of the estimate of the amounts involved.

The objective of the Offer is to acquire the entire share capital of UBI Banca and complete the merger by incorporation of UBI Banca into the Issuer (the "Merger"), fostering the objectives of integration, creation of synergies and growth of the ISP Group.

Investors should consider that, in the event of the completion of the Acquisition of UBI Banca, there will be limits to the comparability of the ISP Group's post-Acquisition annual and interim reports with the ISP Group's financial information as at 31 December 2019.

* * *

At the Date of the Securities Note, there is a risk that the price of the Shares (including the New Shares) may fluctuate considerably, also considering the high volatility of the stock markets due to uncertainties in the

macroeconomic environment and, in particular, to the COVID-19 pandemic (so-called coronavirus) and/or that there may not be a liquid market for the Shares (including the New Shares). The occurrence of the aforesaid circumstances might have negative effects, even significant, on the market price of the Shares (including the New Shares), with consequent possible adverse impacts for the holders of the Shares (including the New Shares), who could suffer losses on their investment. Note that from the beginning of the year to 24 June 2020, the unit price of the Shares has fallen by around 29%, in line with that of the Italian banking sector index (-29%) and less than the European banking sector index (-35%), from 2.3485 euro to 1.6668 euro, with a high of 2.6325 euro and a low of 1.3062 euro in the period. In the same period, the average daily trading volume was approx. 172 million shares, with a high of around 457 million and a low of around 50 million.

The occurrence of events underlying the said risk, which is classed by the Issuer as having a high probability of occurrence, could have significant negative impacts on the market price of the Shares (including the New Shares). Considering the above, the Bank estimates that the risk in question is highly significant.

Factors such as changes in the assets and liabilities, profits and losses, financial position and income of the Bank and/or the Group or of its competitors, changes in the general conditions of the Issuer and the Group's sector, changes in the legal and regulatory framework, recommendations of the Supervisory Authority that impose or extend caps or restrictions on the distribution of dividends and reserves, the publication by the press of news concerning the Issuer and/or the Group and uncertainty arising from the possibility that the Issuer may be unable, for any reason, to complete the Acquisition through the Public Exchange Offer, might cause negative fluctuations in the price of the Shares (including the New Shares).

Specifically, stock market prices and traded volumes have been rather unstable in recent years and, especially from February 2020, following the onset of the COVID-19 pandemic, the volatility of prices of securities traded on markets has increased significantly. These fluctuations have had and could continue to have a negative impact on the market price of the Shares (including the New Shares), regardless of the real value of the Bank and the Group's assets and liabilities, profits and losses and financial position. The New Shares present the typical elements of risk of an investment in listed securities of the same kind. The holders of New Shares have the option to liquidate their investments by selling the shares on the related trading markets. However, the Shares (including the New Shares) could present common and generalised liquidity problems, even notwithstanding the circumstances under the Issuer's control, as it may be hard to quickly match requests to sell the securities with a sufficient number of buyers. The level of liquidity of the Shares (including the New Shares) may have negative effects on the market price at which they can be sold, especially if a significant amount of these securities to be sold within a short time frame, in which case the price of the Shares (including the New Shares) may be subject to negative fluctuations, even significant.

For more information on the features of the New Shares, see Part B, Section 4, of the Securities Note.

A.1.2 Risks linked to recovery and resolution measures applied to crises of credit institutions

The subscription of New Shares subsequent to the acceptance of the Public Exchange Offer implies the acceptance of the typical risks of a risk capital investment. The investment in the New Shares involves the risk of loss of the capital invested, even entirely, if, in future, the Issuer is subject to insolvency proceedings or is considered as failing or likely to fail, thus triggering the application of "resolution" measures, including the so-called "bail-in".

The occurrence of the events underlying the said risk, which is classed by the Issuer as having a low probability of occurrence, could have significant negative impacts on the market price of the Shares (including the New Shares). Considering the above, the Bank estimates that the risk in question is of medium-high significance.

Where a bank is failing or likely to fail, the competent Authority may implement a number of measures to recover the situation, as an alternative to compulsory administrative liquidation, including the application of the bail-in tool, which gives powers to reduce the nominal value of the shares, even to zero, and to write-down the amount of receivables from that bank, converting these into shares so as to absorb the losses and recapitalise the bank in difficulty or the new entity created to continue its essential functions. Consequently, if in future the Bank is considered as failing or likely to fail and is subject to the bail-in measures, the subscribers of the New Shares to be issued against the Transfer (and the holders of the Shares) would be exposed to the risk of having their investment reduced in value and/or reduced to zero value.

Furthermore, if the bail-in measure is applied, the subscribers of the New Shares issued in the context the Public Exchange Offer, and, likewise, the shareholders of the Bank at the Date of the Securities Note, could see their equity interests significantly diluted if additional liabilities are converted into shares at particularly disadvantageous conversion rates.

A.1.3 Risks linked to exceptional or significant circumstances that affect the value of the UBI Shares, as estimated in accordance with article 2343-ter of the Italian Civil Code, and to the unavailability, where applicable, of the New Shares

Where (i) pursuant to article 2343-quater, paragraph 2 of the Italian Civil Code, the Board of Directors determines that the occurrence of exceptional circumstances or new significant events is likely to significantly modify the value of the assets transferred (i.e. the value attributed to the UBI Shares for the purpose of the Public Exchange Offer Share Capital Increase), to an extent such as to prevent the issuance of the statement required from the ISP directors pursuant to article 2343-quater, paragraph 3, letter d), of the Italian Civil Code; or (ii) pursuant to article 2443, paragraph 4, of the Italian Civil Code, one or more shareholders that represent - or represented at the date of the board resolution approving the Public Exchange Offer Share Capital Increase - at least one twentieth of the share capital prior to the increase, make a request in this respect within the term of 30 (thirty) days from the registration at the company register of the board resolution approving the Public Exchange Offer Share Capital Increase (i.e., by 20 July 2020), then the Board of Directors shall carry out a new valuation of the transfers in kind (i.e. the UBI Shares) in accordance with article 2343 of the Italian Civil Code, thus giving rise to uncertainties in terms of the timing of the competent Court's appointment of the expert and the timing of the completion of the expert's valuation and, consequently, to possible adverse impacts for the subscribers of New Shares issued in the context of the Public Exchange Offer, consisting in the fact that such subscribers - pending the completion of the new valuation and its assessment by the Board of Directors - would be allotted New Shares that cannot be transferred until the aforesaid assessments are completed. In addition, if a new valuation is required pursuant to and for the purposes of article 2343 of the Italian Civil Code, also in light of any future (unforeseen and unforeseeable) impacts of the COVID-19 pandemic (so-called coronavirus) on the business of the UBI Group, there is a risk that the Board of Directors establishes that the value of the assets transferred was more than 1/5 lower than the value at which the transfer was made and that the Issuer is required to apply the relevant provisions of Article 2343 of the Italian Civil Code. Note that in the latter case, in accordance with the fairness opinion issued by the Independent Auditors, this would result in the reduction of the amount of the share premium and of the nominal share capital of the Public Exchange Offer Share Capital Increase, but not of the number of New Shares.

The occurrence of events underlying the said risk, which is classed by the Issuer as having a medium probability of occurrence, could have negative impacts on the investment in the New Shares of the Bank, as a consequence of any temporary inability to transfer the said New Shares, as described above. Considering the above, the Bank estimates that the risk in question is of medium-low significance.

The Public Exchange Offer Share Capital Increase is subject to the provisions of Articles 2440 and 2343-ter et seq. of the Italian Civil Code regarding share capital increases to be executed through transfers of assets in kind. Specifically, the Issuer decided, pursuant to article 2440, paragraph 2, of the Italian Civil Code, to adopt the provisions of articles 2343-ter and 2343-quater of the Italian Civil Code for the estimate of the UBI Shares to be transferred.

PricewaterhouseCoopers Advisory S.p.A., in its capacity as independent expert pursuant to article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, issued its valuation of the UBI Shares on 13 March 2020, referring to 17 February 2020 and subsequently confirmed with an addendum dated 31 March 2020, concluding that, on the aforementioned reference date, the value per share attributable to the UBI Shares was not less than 3.577 euro cum dividend and including the control premium. Subsequently, on 15 June 2020, PricewaterhouseCoopers Advisory S.p.A., at the request of ISP's Board of Directors, issued a further updated valuation report, which was prepared taking into account the data and information available as at 31 March 2020, which therefore constitutes the new reference date (the "**PwC Report**"). Specifically, in the PwC Report, PricewaterhouseCoopers Advisory S.p.A. concluded that as at 31 March 2020 the fair value per UBI Share was within the range of 3.577 euro to 4.406 euro (cum dividend and including the control premium). The independent expert therefore again confirmed that the fair value of each UBI Share that may be contributed under the Public Exchange Offer Share Capital Increase is not below 3.577 euro, cum dividend and including the control premium, the lower limit of the range identified. In accordance with the law, the value assigned, for the purposes of determining the share capital and the share premium, to the UBI shares tendered in acceptance must be equal to or lower than the value indicated in the aforementioned report from the independent expert. In addition, on 25 March 2020, the Independent Auditors provided ISP's Extraordinary Shareholders' Meeting of 27 April 2020 with a voluntary report ("*ISAE 3000 Revised*") on the criteria used by ISP's Board of Directors to determine the exchange ratio for the Offer. In that report, the Independent Auditors concluded, based on the documentation examined and the analysis performed, that the valuation methods adopted by ISP's Board of Directors were adequate, because they were reasonable and not arbitrary, and had been correctly applied for the purposes of determining the exchange ratio. Finally, on 16 June 2020, the Independent Auditor issued its report on the adequacy of the price of the newly issued ISP Shares servicing the Offer ("*parere sulla congruità del prezzo di emissione*"), as determined by the

Offeror's Board of Directors, in accordance with the combined provisions of articles 2441, paragraph 4, first period and paragraph 6, of the Italian Civil Code and 158, paragraph 1, of the Consolidated Law on Finance.

It should be noted that article 2443, paragraph 4, of the Italian Civil Code establishes that, if the transferee company has opted to value the assets transferred in accordance with the special rules laid down in articles 2343-ter and 2343-quater of the Italian Civil Code, one or more shareholders that represent, and at the time of the board resolution approving the share capital increase represented, at least one twentieth of the share capital prior to the increase, may request, within 30 (thirty) days from the registration in the company register of the board resolution approving the share capital increase (i.e., by 20 July 2020), that a new valuation of the transferred assets be carried out, upon instruction by the directors and in accordance with article 2343 of the Italian Civil Code, by means of a sworn valuation by an expert appointed by the competent Court (i.e., the Court of Turin) - with the consequences described below.

In addition, the Bank's Board of Directors, pursuant to the combined provisions of articles 2343-quater and 2440 of the Italian Civil Code, is required to issue a statement – within 30 days from the execution of the Transfer or, if later, from the date of registration in the Turin Company Register of the board resolution approving the Public Exchange Offer Share Capital Increase – certifying, among other things, that the expert that performed the valuation meets the requirements and professional capability and independence laid down in Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code. This statement, together with the information required by the aforementioned letters a), b) and c) of article 2343-quater, paragraph 3, of the Italian Civil Code, was issued by the Bank's Board of Directors on 16 June 2020 and is contained in the Board resolution approving the Public Exchange Offer Share Capital Increase registered with the Turin Company Register on 19 June 2020.

Furthermore, if, within 30 days of the filing in the Turin Company Register of the resolution approving the Public Exchange Offer Share Capital Increase (i.e., by 20 July 2020), the request pursuant to article 2443, paragraph 4, of the Italian Civil Code has not been made, ISP's Board of Directors will file, for registration in the Turin Company Register by the Payment Date, together with the certification pursuant to article 2444 of the Italian Civil Code, the additional statement envisaged by Article 2343-quater, paragraph 3, letter d), of the Italian Civil Code, namely the statement that no exceptional circumstances or new significant circumstances have arisen that affect the valuation referred to in letter b) above (i.e., in this case, the value assigned to the UBI Shares for the Public Exchange Offer Share Capital Increase), after the reference date of the valuation produced by the independent expert pursuant to article 2343-ter, paragraph 2, letter b) of the Italian Civil Code. In this regard, the meeting of ISP's Board of Directors called to perform these checks and to issue the statement from ISP's directors pursuant to article 2343-quater, paragraph 3, letter d) of the Italian Civil Code, is expected to take place by the Payment Date of the Consideration and, in any case, in time for the fulfilment of the obligations related to that payment. It is also envisaged that this statement from ISP's directors will be filed in the relevant Company Register in due time by the Payment Date to enable the unrestricted availability for the acceptors of the Offer of New Shares that will be allotted to them as Consideration for the Offer on the Payment Date. Until the statements from ISP's directors envisaged by article 2343-quater, paragraph 3, of the Italian Civil Code have been filed in the Turin Company Register, the New Shares, issued in execution of the Public Exchange Offer Share Capital Increase, which will be allotted to the acceptors of the Public Exchange Offer as Consideration for the Offer, will be unavailable (and therefore will not be able to be sold) and must remain deposited with the Issuer.

Considering the uncertain outlook of the current economic situation, the continuation of the emergency cannot be excluded and any further developments could have impacts, even significant ones, on the national and international economic system - and consequently on the banking sector - such as to modify the estimate of the value of the UBI Shares. Note also that, on 5 June 2020, following the European Central Bank's authorisation of the acquisition of control of UBI Banca - received on the same date - the Issuer announced that it "*believes, although it does not currently have information on possible adverse effects of the COVID-19 pandemic on UBI Banca, that reasonably the pandemic should not bear such effects as to negatively affect the activity of UBI Banca and/or the financial, capital, economic and income situation of UBI Banca and/or the companies of the UBI Group (in addition to not bearing similar effects for both the Offer and Intesa Sanpaolo)*". Furthermore, as at the Date of the Securities Note, the Board of Directors of the Issuer has not identified any exceptional circumstances or significant new circumstances that necessitate a further update of the PwC Report, issued in accordance with article 2343-ter, paragraph 2, letter b), of the Italian Civil Code or, in any event, that entail the need, as at the Date of the Securities Note, to initiate the ordinary procedure for the valuation of the transfers in kind, which requires, as described above, a sworn valuation by an expert appointed by the competent Court in accordance with article 2343 of the Italian Civil Code.

However, if prior to the Payment Date of the Consideration ISP's Board of Directors determines that exceptional circumstances or significant new circumstances have arisen that materially alter the value of the

assets transferred (*i.e.*, the value assigned to the UBI Shares for the purposes of the Public Exchange Offer Share Capital Increase) and prevent the issuance of the aforementioned statement of the ISP directors pursuant to article 2343-quater, paragraph 3, letter d), of the Italian Civil Code, the Board of Directors must perform a new valuation of the transfers in kind (*i.e.*, the UBI Shares) in accordance with article 2343 of the Italian Civil Code and therefore initiate the ordinary procedure for the valuation of the transfers in kind, requesting the competent Court (*i.e.*, the Court of Turin) to appoint an expert that will prepare a sworn valuation of the assets transferred, in compliance with the applicable regulations.

It should be noted that, in the case of implementation of the ordinary procedure for the valuation of the UBI Shares in accordance with article 2343 of the Italian Civil Code, by means of a sworn valuation report prepared by an expert appointed by the competent Court (*i.e.* the Court of Turin) - either as a result of a request from ISP minority shareholders pursuant to article 2443, paragraph 4, of the Italian Civil Code (*i.e.*, by 20 July 2020), or of the failure to issue the statement from ISP's directors pursuant to article 2343-quater, paragraph 3, letter d), of the Italian Civil Code – ISP will be required to apply the relevant provisions of article 2343 of the Italian Civil Code if Board of Directors' review of the sworn report reveals that the value of the assets transferred was more than 1/5 lower than the value at which the Transfer was made. In the latter case, in accordance with the opinion issued by the independent auditors, this would result in the reduction of the amount of the share premium and of the nominal share capital of the Public Exchange Offer Share Capital Increase, but not of the number of New Shares.

Furthermore, taking into account the regulations applicable to the Public Exchange Offer Share Capital Increase and the procedures set out in articles 2440 and 2343-ter et seq. of the Italian Civil Code, if the ordinary valuation procedure set out in article 2343 of the Italian Civil Code is not completed by the Payment Date, the New Shares allotted to the acceptors of the Offer as Consideration for the Offer at the Payment Date will remain unavailable up to the completion of the ordinary procedure for the valuation of the UBI Shares in accordance with article 2343 of the Italian Civil Code, the timescale of which cannot be determined in advance.

For more information on the Transfer, see Part B, Section 4, Paragraphs 4.3 and 4.4 of the Securities Note.

A.1.4 Risks linked to markets in which the Offer is not made due to lack of authorisations from the competent authorities

The Offer is being made exclusively in Italy, because the UBI Shares are listed on the MTA market, and it is addressed, on a non-discriminatory basis and on equal terms, to all the shareholders of the UBI Shares. Furthermore, notwithstanding that the Offer has not been, and will not be, made in the United States, the Issuer reserves the right to contact certain U.S. investors by way of a private placement memorandum delivered only to professional investors (“Qualified Institutional Buyers”), as defined in Rule 144A of the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”), subject to other restrictions imposed by U.S. federal securities laws. There is a risk that shareholders of the Issuer that are not based in Italy, other than the Qualified Institutional Buyers to whom the private placement memorandum is addressed, may find it difficult or may be unable to exercise their rights under the Offer due to the specific legislation to which they are subject.

The Issuer believes that the events underlying the risk described in this Paragraph have a low probability of occurrence and that the risk is of low significance.

The Offer has not been and will not be made in the United States, Canada, Japan, Australia and any other jurisdictions where making the Offer or tendering therein would not comply with the securities or other laws or regulations of such jurisdiction or would require prior registration, approval or filing with the supervisory authorities. These countries, including the United States, Canada, Japan and Australia, are referred to as the “**Excluded Countries**”. The Offer has not been and will not be made using national or international instruments of communication or commerce of the Excluded Countries (including, for example, the postal network, fax, telex, e-mail, telephone and internet), or through any structure of any financial intermediary of the Excluded Countries, or in any other way. No action has been or will be taken to enable the Offer to be made in any of the Excluded Countries. The financial instruments underlying the Offer will not be registered pursuant to the U.S. Securities Act and the Offer will not be made in the United States, except in relation to Qualified Institutional Buyers and subject to other restrictions imposed by U.S. federal securities laws. The U.S. private placement memorandum will not be used in connection with the Offer in Italy or in any of the Excluded Countries.

Acceptance of the Offer by persons residing in countries other than Italy may be subject to specific obligations or restrictions imposed by the applicable legal or regulatory provisions of those countries. It is the sole responsibility of the addressees of the Offer to comply with those rules and, therefore, before accepting

the Offer, to verify their existence and applicability by contacting their legal or other advisors. The Issuer does not assume or accept any liability arising from a breach of the above restrictions by any person.

Therefore, holders of the UBI Shares based outside Italy and/or who do not have their residence in Italy are advised, prior to taking any action with respect to the Offer, to seek specific legal advice on the matter from their own advisors.

PART B

1. PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERT REPORTS, AND APPROVAL BY THE COMPETENT AUTHORITIES

1.1 Persons responsible for the Securities Note

The persons listed in the following table assume responsibility for the completeness and truthfulness of the data and information contained in the Securities Note.

Responsible person	Title	Registered office	Parts under its responsibility
Intesa Sanpaolo S.p.A.	Issuer	Turin, Piazza San Carlo, 156	Entire Securities Note

1.2 Declaration of Responsibility

The Issuer declares that, having exercised all reasonable diligence for this purpose, the information contained in the Securities Note is, to the extent of its knowledge, consistent with the facts and do not contain omissions that would alter its meaning.

1.3 Expert reports and opinions

Except as provided in Part B, Section 4, Paragraph 4.3, no expert reports or opinions were issued for the purpose of drawing up the Securities Note.

1.4 Third-party information

The Securities Note does not contain third-party information.

1.5 Issuer Statement

The Issuer declares that:

- (a) the Securities Note was approved by Consob in its capacity as competent authority pursuant to Regulation (EU) 2017/1129;
- (b) Consob approves this Securities Note only to the extent that it fulfils the requirements of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;
- (c) that approval must not be considered an endorsement of the quality of the New Shares covered by the Securities Note;
- (d) investors should make their own assessment of the suitability of investing in the New Shares and/or in other securities issued by the Issuer; and
- (e) the Securities Note has been prepared as part of a simplified prospectus in compliance with article 14 of Regulation (EU) 2017/1129.

2. RISK FACTORS

Reference is made to Part A of the Securities Note for a description of the Risk Factors affecting the Shares underlying the Offer.

3. ESSENTIAL INFORMATION

3.1 Interest of natural and legal persons involved in the offer

With regard to the relationships existing between the parties involved in the Public Exchange Offer, please note the following:

- (i) Intesa Sanpaolo and its subsidiaries, in the normal course of business, have provided, are providing or may provide in the future or on an ongoing basis lending, advisory, investment banking, corporate finance and/or investment services to the parties directly or indirectly involved in the transaction and/or their respective shareholders and/or their respective affiliated companies and/or other companies operating in the same business sector, or may at any time trade on behalf of customers in equity or debt instruments, of UBI Banca or of other parties involved in the Public Exchange Offer, or of their parent, subsidiary or associated companies;
- (ii) Mediobanca - Banca di Credito Finanziario S.p.A. ("**Mediobanca**") acts as financial advisor of Intesa Sanpaolo for the Public Exchange Offer and the transaction. Mediobanca, the parent company of the "Mediobanca Banking Group" and its subsidiaries, in the normal course of their business, have provided, are providing or may provide in the future or on an ongoing basis lending, advisory, investment banking and corporate finance services to parties directly or indirectly involved in the transaction and/or their respective shareholders and/or their respective affiliated companies and/or other companies operating in the same business sector;
- (iii) Equita SIM S.p.A. acts as financial advisor of Intesa Sanpaolo in relation to the Public Exchange Offer and the transaction. This financial advisor, as well as its parent or associated companies, may have provided or may in the future, during the normal course of their business, provide financial, commercial or investment advisory or financial services to, in addition to having investment or commercial or fiduciary banking relationships with, or at any time holding short or long positions and, if permitted by the applicable regulations, trading or otherwise carrying out transactions, on its own account or on behalf of customers, in equity or debt instruments, loans or other securities (including derivatives) of Intesa Sanpaolo, UBI Banca or other parties involved in the Public Exchange Offer, or of their parent, subsidiary or associated companies;
- (iv) J.P. Morgan Securities plc ("**J.P. Morgan**") acts as financial advisor of Intesa Sanpaolo for the Public Exchange Offer. J.P. Morgan, as well as its parent, subsidiary or associated companies (collectively the "**J.P. Morgan Group**"), provides a wide range of companies and individuals with financial and commercial banking services and is engaged in securities trading and brokerage, as well as the provision of investment banking services, including asset management, financing and financial advice and other investment and commercial banking products and services. In the normal course of its investment banking, trading, financial intermediation, asset management and financing activities, the J.P. Morgan Group may have provided or may in the future, in the normal course of its business, provide financial, investment or commercial advisory or financial services to, in addition to having investment or commercial banking relationships with, or at any time holding short or long positions and, if permitted by the applicable regulations, negotiating or otherwise carrying out transactions, on its own account or on behalf of customers, in equity or debt instruments, loans or other securities (including derivatives) of Intesa Sanpaolo, UBI Banca or other parties involved in the Public Exchange Offer, or of their parent, subsidiary or associated companies;
- (v) Morgan Stanley & Co. International plc acts as financial advisor of Intesa Sanpaolo in relation to the Public Exchange Offer and the transaction. This financial advisor, as well as its parent, subsidiary or associated companies, may have provided or may in the future, during the normal course of their business, provide financial or investment advisory or financial services to, in addition to having investment or fiduciary banking relationships with, or at any time holding short or long positions and, if permitted by the applicable regulations, trading or otherwise carrying out transactions, on its own account or on behalf of customers, in equity or debt instruments, loans or other securities (including derivatives) of Intesa Sanpaolo, UBI Banca or other parties involved in the Public Exchange Offer, or of their parent, subsidiary or associated companies;
- (vi) UBS Investment Bank acts as financial advisor of Intesa Sanpaolo in relation to the Public Exchange Offer and the transaction. This financial advisor, as well as its parent, subsidiary or associated companies, may have provided or may in the future, during the normal course of their business, provide financial, commercial or investment advisory or financial services to, in addition to having investment or commercial or fiduciary banking relationships with, or at any time holding short or long positions and, if permitted by the applicable regulations, trading or otherwise carrying out transactions, on its own account or on behalf of customers, in equity or debt instruments, loans or

other securities (including derivatives) of Intesa Sanpaolo, UBI Banca or other parties involved in the Public Exchange Offer, or of their parent, subsidiary or associated companies; and

- (vii) in addition to the activities indicated in point (i), Banca IMI S.p.A.⁽¹⁾, a company of the ISP Group, wholly owned by the Bank, is the intermediary appointed to coordinate the acceptances in relation to the Public Exchange Offer and will receive a fee for the service provided.

3.2 Reasons for the offer and use of proceeds

The offer of the New Shares is made to offer such shares as consideration for the Public Exchange Offer.

The Issuer has decided to launch the Public Exchange Offer in order to further consolidate, through the contribution of UBI Banca's customers and network, its position in the Italian banking sector. The Public Exchange Offer represents a market transaction directly addressed to all the shareholders of UBI Banca and has the purpose of realising the integration of UBI Banca into ISP, that will enable full exploitation of the potential of the two groups through the creation of an entity capable of:

- strengthening the position of the stakeholders of the two groups on the European banking scene;
- creating value for the shareholders through the distribution of dividend flows that are sustainable over time also by means of the synergies deriving from the aggregation;
- integrating UBI Banca's management into the first lines of management of a company of primary standing in Italy, of European dimensions;
- providing strong support to the real economy of local communities, with particular focus also on social impacts, achieved also by entering into agreements that benefit the local communities.

The objective of the Offer is to acquire the entire share capital of UBI Banca and complete the merger by incorporation of UBI Banca into the Issuer (the "**Merger**"), placing emphasis on the objectives of integration, creation of synergies and growth of the ISP Group. Note that the Merger may be completed in both cases in which, upon completion of the Public Exchange Offer, the UBI Shares are delisted from being traded on the MTA market or where such delisting does not occur.

The effectiveness of the Offer is subject, inter alia, to the condition that upon completion of the Offer, the Issuer holds an interest at least equal to 66.67% of UBI Banca's share capital: this will allow the Issuer to hold an absolute majority at the extraordinary shareholders' meeting of UBI Banca and therefore, subject to the necessary authorisations from the competent authorities and in compliance with the applicable corporate governance rules and procedures, to resolve upon and execute the Merger by incorporation of UBI Banca into the Issuer (probably not before 2021). At the Date of the Securities Note, the Issuer has not yet taken any decision on the possible Merger, or on the manner of its execution, even though it is an objective of the Offer in line with the reasons underlying the Offer.

Please note, also, that, if the Offeror waives the Percentage Threshold Condition and agrees to acquire a percentage below this threshold, subject to the Minimum Threshold Condition, and thus finds itself holding a total interest in the Issuer's share capital of at least 50% plus 1 (one) UBI Share, the approval of the Merger may still be proposed to the shareholders' meeting (probably starting from 2021). In such case, the Offeror's interest in the share capital of the Issuer would give - taking into account any changes in the ownership structure of the Issuer at that date, also in terms of the number of shareholders holding significant equity investments - a sufficient number of voting rights to approve the Merger (on condition that the deliberative quorum of 2/3 of the voting shares represented at the shareholders' meeting is fulfilled).

For more information on the objectives of the Acquisition and on future plans in relation to UBI Banca, see the Offer Document, which will be made available to the public – once approved by Consob – in accordance with the terms and methods set out by law.

3.3 Working capital statement

Pursuant to the Prospectus Regulation, the Commission Delegated Regulation (EU) 980/2019 and the ESMA/2013/319 Recommendations, which define working capital as "the Group's ability to access cash and other available liquid resources in order to meet its liabilities as they fall due", the Issuer's opinion is that, at

⁽¹⁾ Note that, by resolution of the Board of Directors of 5 May 2020, ISP approved the merger by incorporation of Banca IMI S.p.A. into Intesa Sanpaolo, in accordance with Article 2505, paragraph 2, of the Italian Civil Code, as permitted by article 18.2.2. letter m), of the Articles of Association. On 6 May 2020, the merger was also approved by the extraordinary shareholders' meeting of Banca IMI S.p.A. The completion of the merger, with the consequent assumption by ISP of the role of intermediary appointed to coordinate the acceptances, is expected by 20 July 2020.

the Date of the Securities Note, the Group has sufficient working capital to cover the current financial requirements, to be understood as those related to the 12 month period running from the Date of the Securities Note.

3.4 Capitalisation and indebtedness

The tables below show the total of direct deposits, the net interbank balance and shareholders' equity of the Group as at 31 March 2020.

Direct deposits (millions of euro)	31 March 2020
Current accounts and deposits	319,411
Repurchase agreements and securities lending	13,636
Bonds	60,919
Certificates of deposits	4,869
Subordinated liabilities	9,615
Other deposits	25,168
Total direct deposits	433,618

Net interbank balance (millions of euro)	31 March 2020
Due to banks(*)	120,110
Due from banks(*)	67,440
Total net interbank balance (+ due to banks - due from banks)	52,670

Note: (*) data derived from the reclassified balance sheet of the Intesa Sanpaolo Group, referring exclusively to amounts due to banks at amortised cost and amounts due from banks

Shareholders' equity (millions of euro)	31 March 2020
Share capital	9,086
Share premium reserve	25,075
Reserves	17,408
Revaluation reserves	-1,651
Equity instruments	5,550
Treasury shares	-103
Net income (loss)	1,151
Total shareholders' equity	56,516

From 31 March 2020 to the Date of the Securities Note, there were no significant changes in the composition of the Group's own funds and indebtedness.

Without prejudice to the foregoing, in accordance with ECB Recommendation 2020/19 of 27 March 2020 on the dividend policy in the context resulting from the COVID-19 (so-called coronavirus) pandemic⁽²⁾, the Board of Directors of the Issuer decided on 31 March 2020 to suspend the proposal to distribute cash dividends to shareholders of approximately 3.4 billion euro (equal to 19.2 euro cents per Share), on the agenda of the Ordinary Shareholders' Meeting of 27 April 2020. On proposal by the Board of Directors, the Shareholders' Meeting resolved to allocate the 2019 net income (approximately 4.2 billion euro at the consolidated level) to reserves, after having allocated 12,500,000 euro to the allowance for charitable, social and cultural contributions.

⁽²⁾ For the full text of ECB Recommendation 2020/19 of 27 March 2020, please use the following link: https://www.ecb.europa.eu/ecb/legal/pdf/ecb_2020_19_f_sign.pdf.

4. INFORMATION CONCERNING THE SECURITIES TO BE OFFERED

4.1 Description of the New Shares

Holders of UBI Shares that tender those shares for the Public Exchange Offer will be offered the New Shares, without nominal value, resulting from the Public Exchange Offer Share Capital Increase.

In detail, in the context of the Public Exchange Offer, the maximum number of New Shares that can be issued is 1,945,284,755.

The New Shares will bear regular dividend rights and will therefore be fungible with the ISP Shares admitted to trading on the MTA Market at the issue date.

Consequently, the New Shares will have the ISIN code IT0000072618 and will be issued with coupon No. 43.

4.2 Currency

The New Shares will be denominated in Euro.

4.3 Resolutions and authorisations at the basis of the New Shares to be issued

On 27 April 2020, the extraordinary shareholders' meeting of the Issuer approved the Public Exchange Offer Share Capital Increase, in the context of which the New Shares will be issued. In detail, the shareholders' meeting resolved as follows:

- 1) *to grant the Board of Directors, pursuant to article 2443 of the Italian Civil Code, with the power, to be exercised by 31 December 2020, to increase the share capital of the Company for consideration, in one or more tranches and in a divisible form, without pre-emption right pursuant to Article 2441, paragraph 4, first period, of the Italian Civil Code, up to a maximum total amount of 1,011,548,072.60 euro, in addition to any share premium, and with issuance of maximum no. 1,945,284,755 ordinary shares, with no par value, giving regular dividend rights and having the same characteristics as the outstanding shares, to be paid up by way of contribution in kind functional to the public exchange offer for all the ordinary shares of Unione di Banche Italiane S.p.A., as launched by the Company by means of the notice issued on 17 February 2020 pursuant to article 102, paragraph 1, of Italian Legislative Decree No. 58 of 24 February 1998 (including the fulfilment of the compulsory squeeze-out pursuant to Article 108, paragraphs 1 and 2, and the right of squeeze-out pursuant to article 111 of the same Legislative Decree No. 58 of 24 February 1998);*
- 2) *to assign the Board of Directors the right to establish, in exercising the aforementioned powers and in compliance with the applicable laws and regulations: (i) the total amount of the share capital increase to be approved, in one or more tranches, within the limits set out in point 1) above; (ii) the issue price of the new shares, inclusive of the share premium, taking into account the provisions of article 2441, paragraph 6, of the Italian Civil Code; and (iii) any other terms and conditions of the delegated share capital increase, within the limits established in the applicable regulations and in accordance with the powers delegated in this resolution;*
- 3) *to consequently amend article 5 of the articles of association, with the addition of the following third paragraph:*

"5.3. The Extraordinary Shareholders' Meeting held on 27 April 2020 has granted the Board of Directors, pursuant to article 2443 of the Italian Civil Code, with the power, to be exercised by 31 December 2020, to increase the share capital of the Company for consideration, in one or more tranches and in a divisible form, without pre-emption right pursuant to article 2441, paragraph 4, first sentence, of the Italian Civil Code, up to a maximum total amount of 1,011,548,072.60 euro, in addition to any share premium, and with issuance of maximum no. 1,945,284,755 ordinary shares of the Company, with no par value, giving regular dividend rights and having the same characteristics as the outstanding shares, to be paid up by way of contribution in kind functional to the public exchange offer for all the ordinary shares of Unione di Banche Italiane S.p.A., as launched by the Company by means of the notice issued on 17 February 2020 pursuant to article 102, paragraph 1, of Italian Legislative Decree No. 58 of 24 February 1998";

- 4) *to establish that the effectiveness of the resolutions in points 1) and 2) above, as resulting from the amendment to the articles of association mentioned in point 3) above, is subject to the successful outcome of the authorisation procedures launched pursuant to articles 56 and 61 of Italian Legislative Decree No. 385 of 1 September 1993;*
- 5) *to mandate the Chairman of the Board of Directors and the CEO of the Company, on a several basis and with the power to appoint special attorneys, to do whatever required, necessary or useful to*

execute the resolutions above, including the power to satisfy any requirement for the newly issued shares to be admitted to listing and any associated and necessary formality, including the filing of the resolutions at the Companies Register and the entry of updated text of the new articles of association, with the option to make any non-material changes that may be required thereof and, more generally, to do whatever necessary to ensure the full implementation of the resolutions, exercising all and any powers necessary or appropriate, in compliance with the applicable rules of law.”

On 2 June 2020, by way of decision no. ECB-SSM-2020-ITISP-17, the ECB authorised: (a) the amendment of ISP’s articles of Association in connection with the Public Exchange Offer Share Capital Increase and its execution pursuant to articles 56 and 61 of the Consolidated Law on Banking; and (b) the eligibility for inclusion in Common Equity Tier 1 Capital of the ISP Shares to be issued in execution of the Public Exchange Offer Share Capital Increase pursuant to articles 26, paragraph 3, and 28 of the CRR.

On 16 June 2020, the Issuer’s Board of Directors exercised said delegation and approved the Public Exchange Offer Share Capital Increase, against payment and to be carried out on one or more occasions, with exclusion of the option right pursuant to article 2441, paragraph 4, of the Italian Civil Code, for a maximum nominal amount of 1,011,548,072.60 euro, to be carried out by issuing a maximum number of 1,945,284,755 New Shares without nominal value, bearing regular dividend rights and having the same characteristics as the Shares already outstanding at the issue date, to be paid for through contribution in kind of the UBI Shares tendered in acceptance of the Public Exchange Offer.

The Board of Directors of the Issuer has resolved - in accordance with the current regulatory framework - that, without prejudice to the exchange ratio set out in the Offer, the total unit issue price of the New Shares will be equal to their fair value, which, in turn, is equivalent to the stock exchange price (reference price) of the ISP Shares on the trading day prior (i) to the Payment Date of the Consideration for the Public Exchange Offer, and (ii) where the legal requirements are satisfied, to the subsequent consideration payment dates in execution of the compulsory squeeze-out pursuant to article 108 of the Consolidated Law on Finance and/or the right of squeeze-out pursuant to article 111 of the Consolidated Law on Finance. In all cases above, the unit price of 0.52 euro will be recognised in share capital and the remaining portion of the issue price in the share premium reserve (subject to the limit represented by the estimate of the value of the UBI Shares contained in the PwC Report (as defined below)). For more information, refer to the report prepared by the Board of Directors of the Issuer pursuant to article 2441, paragraph 6, of the Italian Civil Code and article 70, paragraph 7, letter a), of the Issuers’ Regulation, which is available on the Issuer’s website (<https://group.intesasanpaolo.com/en/>).

PricewaterhouseCoopers Advisory S.p.A., in its capacity as independent expert pursuant to article 2343-ter, paragraph 2, letter b), of the Italian Civil Code, issued its valuation of the UBI Shares on 13 March 2020, referring to 17 February 2020 and subsequently confirmed with an addendum dated 31 March 2020, concluding that, on the abovementioned reference date, the unit value attributable to the UBI Shares was not less than 3.577 euro cum dividend and including the control premium. Subsequently, on 15 June 2020, PricewaterhouseCoopers Advisory S.p.A., at the request of ISP’s Board of Directors, issued a further updated valuation report, which was prepared taking into account the data and information available as at 31 March 2020, which therefore constitutes the new reference date (the “**PwC Report**”). Specifically, in the PwC Report, PricewaterhouseCoopers Advisory S.p.A. concluded that as at 31 March 2020 the fair value per UBI Share was within the range of 3.577 euro to 4.406 euro (cum dividend and including the control premium). The independent expert therefore again confirmed that the fair value of each UBI Share that may be contributed under the Public Exchange Offer Share Capital Increase is not below 3.577 euro, cum dividend and including the control premium, the lower limit of the range identified. In accordance with the law, the value assigned, for the purposes of determining the share capital and the share premium, to the UBI shares tendered in acceptance must be equal to or lower than the value indicated in the aforementioned report from the independent expert.

In addition, on 25 March 2020, the Independent Auditors provided ISP’s Extraordinary Shareholders’ Meeting of 27 April 2020 with a voluntary report (“*ISAE 3000 Revised*”) on the criteria used by ISP’s Board of Directors to determine the exchange ratio for the Offer. In that report, the Independent Auditors concluded, based on the documentation examined and the analysis performed, that the valuation methods adopted by ISP’s Board of Directors were adequate, because they were reasonable and not arbitrary, and had been correctly applied for the purposes of determining the exchange ratio.

Finally, on 16 June 2020, the Independent Auditor issued its report on the adequacy of the price of the newly issued ISP Shares servicing the Offer (“*parere sulla congruità del prezzo di emissione*”), as determined by the Offeror’s Board of Directors, in accordance with the combined provisions of articles 2441, paragraph 4, first period and paragraph 6, of the Italian Civil Code and 158, paragraph 1, of the Consolidated Law on Finance.

The aforesaid documents are available on the Issuer's website (<https://group.intesasanpaolo.com/en/>).

4.4 Restrictions on the free transferability of the New Shares

Save as provided below, no restrictions limit the free transferability of the New Shares pursuant to laws in force, the Articles of Association or the terms and conditions of issue.

Considering that the Bank has resolved, pursuant to article 2440, paragraph 2, of the Italian Civil Code, to exercise the option to apply the special rules laid down in articles 2343-ter and 2343-quater of the Italian Civil Code to value the UBI Shares to be transferred⁽³⁾, the Bank shareholders that represent - or represented at the date of the board resolution approving the Public Exchange Offer Share Capital Increase - at least one twentieth of the share capital prior to the increase, may request, pursuant to article 2443, paragraph 4, of the Italian Civil Code and within the term of 30 (thirty) days from the registration at the company register of the board resolution approving the Public Exchange Offer Share Capital Increase (i.e., by 20 July 2020), that a new valuation of the assets to be transferred be carried out, upon instruction by the directors, by means of a sworn report drawn up by an expert appointed by the competent Court (i.e., the Court of Turin).

In addition, the Bank's Board of Directors, pursuant to the combined provisions of Articles 2343-quater and 2440 of the Italian Civil Code, is required to issue a statement – within 30 days from the execution of the Transfer or, if later, from the date of registration in the Turin Company Register of the board resolution approving the Public Exchange Offer Share Capital Increase – certifying, among other things, that the expert that performed the valuation meets the requirements and professional capability and independence laid down in article 2343-ter, paragraph 2, letter b), of the Italian Civil Code. This statement, together with the information required by the aforementioned letters a), b) and c) of article 2343-quater, paragraph 3, of the Italian Civil Code, was issued by the Bank's Board of Directors on 16 June 2020 and is contained in the Board resolution approving the Public Exchange Offer Share Capital Increase registered with the Turin Company Register on 19 June 2020.

Furthermore, if, within 30 days of the filing in the Turin Company Register of the resolution approving the Public Exchange Offer Share Capital Increase (i.e., by 20 July 2020), the request pursuant to article 2443, paragraph 4, of the Italian Civil Code has not been made, ISP's Board of Directors will file, for registration in the Turin Company Register by the Payment Date, together with the certification pursuant to article 2444 of the Italian Civil Code, the additional statement envisaged by article 2343-quater, paragraph 3, letter d), of the Italian Civil Code, namely the statement that no exceptional circumstances or new significant circumstances have arisen that affect the valuation referred to in letter b) above (i.e., in this case, the value assigned to the UBI Shares for the Public Exchange Offer Share Capital Increase), after the reference date of the valuation produced by the independent expert pursuant to article 2343-ter, paragraph 2, letter b) of the Italian Civil Code.

In this regard, the meeting of ISP's Board of Directors called to perform these checks and to issue the statement from ISP's directors pursuant to article 2343-quater, paragraph 3, letter d), of the Italian Civil Code, is expected to take place by the Payment Date of the Consideration and, in any case, in time for the fulfilment of the obligations related to that payment. It is also envisaged that this statement from ISP's directors will be filed in the relevant Company Register in due time by the Payment Date to enable the unrestricted availability for the acceptors of the Public Exchange Offer of New Shares that will be allotted to them as Consideration for the Offer on the Payment Date.

Until the statements from ISP's directors envisaged by article 2343-quater, paragraph 3, of the Italian Civil Code have been filed in the Turin Company Register, the New Shares, issued in execution of the Public Exchange Offer Share Capital Increase, which will be allotted to the acceptors of the Public Exchange Offer as Consideration for the Offer, will be unavailable (and therefore will not be able to be sold) and must remain deposited with the Issuer.

If, prior to the Payment Date of the Consideration, ISP's Board of Directors determines that exceptional

⁽³⁾ Note that the aforesaid provisions do not require a sworn valuation of the assets transferred performed by an expert appointed by the Court whose district is located where the transferring company has its registered office (i.e., the Court of Turin), if the value assigned to the assets transferred, for the purpose of determining the share capital and any share premium, is equal to or lower than the value resulting from a valuation referring to a date no more than six months prior to the transfer, which has been made in compliance with the generally recognised principles and criteria for the valuation of the assets to be transferred, and provided that this valuation has been performed by an expert that is independent (from the transferring party, the transferring company and the shareholders that individually or jointly exercise control over the transferring party or the company), and that possesses adequate and proven professional expertise (for more details, see Article 2343-ter, paragraph 2, letter b), of the Italian Civil Code).

circumstances or significant new circumstances have arisen that materially alter the value of the assets transferred (i.e., the value assigned to the UBI Shares for the purposes of the Public Exchange Offer Share Capital Increase) and prevent the issuance of the aforementioned statement of the ISP directors pursuant to article 2343-*quater*, paragraph 3, letter d), of the Italian Civil Code, the Board of Directors must perform a new valuation of the transfers in kind (i.e., the UBI Shares) in accordance with article 2343 of the Italian Civil Code and therefore initiate the ordinary procedure for the valuation of the transfers in kind, requesting the competent Court (i.e., the Court of Turin) to appoint an expert that will prepare a sworn valuation of the assets transferred, in compliance with the applicable regulations.

Bearing in mind the above, as at the Date of the Securities Note, the ISP's Board of Directors has not identified exceptional circumstances or significant new circumstances that necessitate a further update of the PwC Report prepared in accordance with article 2343-*ter*, paragraph 2, letter b), of the Italian Civil Code or, in any event, that entail the need, as at the Date of the Securities Note, to initiate the ordinary procedure for the valuation of the transfers in kind, which requires a sworn valuation by an expert appointed by the competent Court in accordance with article 2343 of the Italian Civil Code.

However, it should be noted that, in the case of implementation of the ordinary procedure for the valuation of the UBI Shares in accordance with article 2343 of the Italian Civil Code, by means of a sworn valuation report prepared by an expert appointed by the competent Court (i.e., the Court of Turin) - either as a result of a request from ISP minority shareholders pursuant to article 2443, paragraph 4, of the Italian Civil Code (i.e., by 20 July 2020), or of the failure to issue the statement from ISP's directors pursuant to article 2343-*quater*, paragraph 3, letter d), of the Italian Civil Code – ISP will be required to apply the relevant provisions of article 2343 of the Italian Civil Code if Board of Directors' review of the sworn report reveals that the value of the assets transferred was more than 1/5 lower than the value at which the Transfer was made. In the latter case, in accordance with the opinion issued by the Independent Auditor, this would result in the reduction of the amount of the share premium and of the nominal share capital of the Public Exchange Offer Share Capital Increase, but not of the number of New Shares.

Furthermore, taking into account the regulations applicable to the Public Exchange Offer Share Capital Increase and the procedures set out in articles 2440 and 2343-*ter* et seq. of the Italian Civil Code, if the ordinary valuation procedure set out in article 2343 of the Italian Civil Code is not completed by the Payment Date, the New Shares allotted to the acceptors of the Offer as Consideration for the Offer at the Payment Date will remain unavailable up to the completion of the ordinary procedure for the valuation of the UBI Shares in accordance with article 2343 of the Italian Civil Code, the timescale of which cannot be determined in advance.

4.5 Tax regime

The tax legislation of the investor's Member State and of the issuer's country of incorporation (Italy) may have an impact on the income received from the New Shares.

At the Date of the Securities Note, the investment is not subject to a specific tax regime, within the meaning of Annex 12, point 4.5 of the Commission Delegated Regulation (EU) 2019/980.

Investors are in any case advised to consult with their own advisors in order to assess the tax regime applicable to the purchase, ownership and sale of the New Shares, also with reference to the tax legislation applicable in the investor's State of residence, if outside Italy.

4.6 If different from the issuer, the identity and contact details of the offeror of the New Shares and/or the person asking for admission to trading for the New Shares

Not applicable.

4.7 A description of the rights attached to the New Shares and procedure for the exercise of said rights

The New Shares will have the same characteristics and give the same administrative and financial rights as the ISP Shares outstanding at the date of their issue.

Dividend rights

The New Shares will give regular dividend rights.

Pursuant to article 83-*terdecies* of the Consolidated Law on Finance, the entitlement to profits and other distributions attached to the securities recorded in the accounts set forth in article 83-*quater*, paragraph 3, of the Consolidated Law on Finance is established on the basis of the account figures at the end of the record date identified by the Issuer, which also establishes the related method of payment. Pursuant to the Stock Exchange Rules, the Issuer will specify, in the notice relating to the proposed distribution of the dividend by

the competent body, as well as in the notice relating to the approval of the financial statements, the proposed ex-dividend date (or ex-date), the date on which the entitlement arises pursuant to article 83-terdecies of the Consolidated Law on Finance (record date), the proposed date for the payment of the dividend (payment date) and the extraordinary nature of the dividend, if applicable.

Dividends that are not claimed within five years are forfeited, remitted to the Bank and allocated to the extraordinary reserve.

At the Date of the Securities Note, there are no restrictions affecting the distribution of dividends.

Voting rights

Each New Share confers the right to cast one vote at Ordinary and Extraordinary Shareholders' Meetings of the Issuer.

Pre-emption rights in offers for subscription of Shares

In resolutions concerned with share capital increases, the Shareholders' Meeting may approve share capital increases for consideration and with a limitation and/or exclusion of option rights pursuant to article 2441 of the Italian Civil Code.

In the case of a share capital increase, the holders of the New Shares will have the option right on the newly issued shares, unless otherwise resolved by the Shareholders' Meeting in compliance with the provisions of article 2441, paragraph 1, of the Italian Civil Code. Shareholders who exercise the option right also have a pre-emptive right to purchase the shares for which no option right has been exercised, provided that they make a concurrent request.

Right to share of profits

Pursuant to article 29 of the Articles of Association, the net income as reported in the financial statements, net of the portion allocated to legal reserve and the portion which is not available pursuant to the law, shall be allocated as follows:

- to all Shares (including the New Shares), to the extent that the Shareholders' Meeting resolves to proceed with its distribution;
- any excess funds shall be allocated to the extraordinary reserve or to other reserves, without prejudice to the fact that a portion of such earnings may be used for charities and to support social and cultural activities, through the creation of a specific reserve.

At the Date of the Securities Note, the Issuer has implemented a policy for the distribution of future dividends, which is periodically remitted for decision by the shareholders' meeting, without prejudice to the foregoing. The 2018-2021 Business Plan contains a commitment for the ISP Group to distribute cash dividends corresponding to a payout ratio (i.e. the ratio of the total dividends to be distributed to net income for the year) of 75% for 2020⁽⁴⁾ and 70% for 2021. In accordance with ECB Recommendation 2020/19 of 27 March 2020 on the dividend policy in the context resulting from the COVID-19 (so-called coronavirus) pandemic⁽⁵⁾, the Board of Directors of the Issuer decided on 31 March 2020 to suspend the proposal to distribute cash dividends to shareholders of approximately 3.4 billion euro (equal to 19.2 euro cents per Share), on the agenda of the Ordinary Shareholders' Meeting of 27 April 2020. On proposal by the Board of Directors, the Shareholders' Meeting resolved to allocate the net income for the year 2019 to reserves. In the press release published on 5 May 2020, following approval by the Board of Directors, on the same date, of the consolidated results at 31 March 2020, the Issuer confirmed the dividend policy, already indicated in the 2018-2021 Business Plan (commitment to distribute cash dividends corresponding to a payout ratio on net income of 75% for 2020 and 70% for 2021).

The European Central Bank has indicated that it will consider whether its recommendation concerning the dividend policy will be extended beyond 1 October 2020. Subject to the recommendations to be provided by the ECB and to the monitoring of the soundness of the Group's capital base in relation to the evolution of the situation resulting from the COVID-19 pandemic, the Board of Directors of Intesa Sanpaolo intends to call a Shareholders' Meeting after 1 October to implement the distribution of part of the reserves to shareholders before the end of 2020, also taking into account the financial support to households and disbursements by

⁽⁴⁾ The 2020 net income considered for the purposes of the payout ratio does not include the effects on the income statement of the Acquisition transaction, including the recognition of negative goodwill.

⁽⁵⁾ For the full text of ECB Recommendation 2020/19 of 27 March 2020, please use the following link: https://www.ecb.europa.eu/ecb/legal/pdf/ecb_2020_19_f_sign.pdf.

the foundations that is especially needed in the situation resulting from the COVID-19 (so-called coronavirus) pandemic.

Moreover, as announced in the press release published on 5 May 2020, the Issuer updated the Group dividend policy of the entity resulting from integration of the UBI Group into the ISP Group, communicated on 17 February 2020 when the Offer was announced, aligning it with the aforementioned policy indicated in the 2018-2021 Business Plan of the ISP Group, declaring that it envisages the distribution of cash dividends corresponding to a payout ratio (*i.e.*, the ratio of the total dividends to be distributed to net income for the year) of 75% of the net income of the entity resulting from integration of the UBI Group into the ISP Group for 2020 (having excluded the contribution of the negative goodwill⁽⁶⁾ not allocated to cover charges for integration and reduce the risk profile from the net income) and 70% for 2021, rather than the distribution of a cash dividend per share of 0.20 euro for 2020 and more than 0.20 euro per share for 2021⁽⁷⁾. It is pointed out in this regard that, in any case, even considering the uncertainties surrounding, in particular, the public health and economic impacts and developments resulting from the COVID-19 pandemic, there is the risk that the events and/or the related effects at the basis of the Strategic Targets of the Acquisition (including dividend distribution objectives) do not occur to the extent and at the times illustrated. Moreover, it cannot be excluded that events may occur in the near future that would result in the extension of ECB Recommendation 2020/19 concerning the dividend policy and that would (wholly or partially) prevent or postpone the distribution of dividends and/or reserves and, therefore, achievement of the dividend and/or reserve distribution objectives. Lastly, the distribution of dividends and/or reserves might, in the future, be prevented or limited by the need to comply with the capital requirements established by the legal and/or regulatory rules applicable to the ISP Group or by other or different requirements imposed by the Supervisory Authority.

Rights to share in any surplus in the event of liquidation

Pursuant to article 32 of the Articles of Association, if there is a reason for winding up, the Shareholders' Meeting shall establish the manners of liquidation and appoint one or more liquidators, save as otherwise provided by laws in force.

Redemption provisions

The New Shares do not give entitlement to the redemption of capital, save as otherwise provided in the event of winding up of the Bank.

4.8 National legislation on public takeover bids applicable to the Issuer, which may frustrate such takeovers, if any

The Issuer is subject to the rules governing public takeover bids in articles 101-bis et seq. of the Consolidated Law on Finance and in the related implementing regulations (e.g. the Issuers' Regulation), including the provisions concerning mandatory public takeover bids (articles 105 et seq. of the Consolidated Law on Finance), compulsory squeeze-outs (article 108 of the Consolidated Law on Finance) and the right of squeeze out (article 111 of the Consolidated Law on Finance).

4.9 Public takeover bids on the Issuer's Shares in the last financial year and the current financial year

No public takeover bids by third parties were made in respect of the Shares in the last financial year or in the current financial year.

⁽⁶⁾ The actual determination of the Negative goodwill will result following the outcome of the PPA procedure provided for under IFRS 3.

⁽⁷⁾ By way of comparison, in the final year of the 2018-2021 Business Plan of the ISP Group, the dividend policy announced on 5 May 2020 equates – considering the expected net income of the ISP Group of no lower than 3.5 billion euro in 2021, as announced on the same date – to an expected dividend per share for the stand-alone ISP Group of no less than 0.14 euro, compared to 0.24 euro based on the net income of 6 billion euro announced on 6 February 2018 at the moment of approval of the 2018-2021 Business Plan, and to an expected dividend per share for the entity resulting from the integration of the UBI Group into the ISP Group of no lower than the aforesaid value projected for the ISP Group, compared to the value above 0.20 announced on 17 February 2020.

5. TERMS AND CONDITIONS OF THE OFFER

The New Shares will be issued in the context of an acquisition through public exchange offer.

The terms and conditions of issue and allotment of the New Shares will be included in the Offer Document. In this regard, note that the Offer Document, which will be made available to the public, once approved by Consob, in accordance with the terms and method set out by law, includes the Conditions Precedent of the Public Exchange Offer. For informational purposes, the aforesaid conditions are copied hereunder (note that in the text quoted in quotation marks below, “Offeror” must be construed as Intesa Sanpaolo and “Issuer” as UBI Banca).

“The enforceability of the Offer is conditioned on fulfilment of each of the following conditions (the “Conditions Precedent” and each one a “Condition Precedent”, with it being acknowledged that they are listed in a non-mandatory chronological sequence as follows:

- (i) *the acquisition of control of the Issuer [UBI Banca] by the Offeror [Intesa Sanpaolo] has obtained, by the second Trading Day prior to the Payment Date of the Consideration, unconditional approval by AGCM (Italian Competition Authority) pursuant to article 16 of Law 287 of 10 October 1990 or the approval conditional on the execution of the sales in accordance with the provisions of the BPER Agreement and the ISP Commitments (as defined below) without the imposition of additional and/or different measures, even where relating to implementation only (the “**Antitrust Condition**”);*
- (ii) *that the Offeror [Intesa Sanpaolo] comes to possess, upon conclusion of the Offer — through the acceptances of the Offer and/or any acquisitions made outside of the Offer itself pursuant to applicable laws (including through Private Placement) — a total interest equal to at least 66.67% of the share capital of the Issuer [UBI Banca] (the “**Percentage Threshold Condition**”);*
- (iii) *that, between the Announcement Date and the Payment Date of the Consideration, the corporate bodies of the Issuer [UBI Banca] (and/or of one of its direct or indirect subsidiaries or associates) do not carry out or undertake to carry out (including through conditional agreements and/or partnerships with third parties) any acts or transactions: (x) that might cause a significant deterioration, even prospectively, in the capital, company assets, operating results and financial position of the Issuer [UBI Banca] as represented in the quarterly report of the Issuer [UBI Banca] at 31 March 2020 and/or the activity of the Issuer [UBI Banca] (and/or of one of its direct or indirect subsidiaries or associates), (y) that limit the free operations of the branches and networks in the sale of products to customers (including through the renewal, extension – inter alia in consequence of failure to cancel – or renegotiation of the relevant and outstanding and/or expiring agreements, including distribution agreements), or (z) that are in any event inconsistent with the Offer and with underlying business and commercial reasons, unless this is required in compliance with statutory obligations and/or on request by the supervisory authorities, and without prejudice in any case to what is required by the condition imposed at the following point (v) (the “**Material Acts Condition**”);*
- (iv) *that between the Announcement Date and the Payment Date of the Consideration, the Issuer [UBI Banca] and/or its direct or indirect subsidiaries and/or associates do not resolve and otherwise not execute (or undertake to execute) acts or transactions that might conflict with the realisation of the objectives of the Offer pursuant to article 104 of the Consolidated Law on Finance, even if they have been authorised by the ordinary or extraordinary shareholders’ meetings of the Issuer [UBI Banca] or are decided and implemented independently by the ordinary or extraordinary shareholders’ meeting and/or by the management bodies of the subsidiaries and/or associates of the Issuer [UBI Banca] (the “**Defensive Measures Condition**”);*
- (v) *that, by the Payment Date of the Consideration, (x) no extraordinary circumstances or events have occurred at the domestic and/or international level, involving or that may involve material adverse changes in the political, financial, economic, currency, regulatory (including accounting and supervisory regulations) or market situation having substantially prejudicial effects on the Offer and/or the capital, financial position, operating results or profits of the Issuer [UBI Banca] (and/or of its subsidiaries and/or associates) and of the Offeror [Intesa Sanpaolo], as represented in the quarterly reports of the Issuer [UBI Banca] and the Offeror [Intesa Sanpaolo], respectively, at 31 March 2020; and (y) no facts or situations involving the Issuer [UBI Banca] and/or companies of the UBI Group unknown to the market at the Announcement Date and having a prejudicial effect on the activity of the Issuer [UBI Banca] and/or the companies of the UBI Group and/or its capital, financial position, operating results or profits as represented in the quarterly report of the Issuer [UBI Banca] at 31 March 2020 (“**MAC/MAE Condition**”).*

In accordance with article 43, paragraph 1, of the Issuers' Regulation, ISP reserves the right to amend and/or to waive, entirely or in part, or to rely on the non-satisfaction of one or more of the Conditions Precedent, with notification to be given in the manners set out in article 36 of the Issuers' Regulation.

Moreover, given the objectives of the Offer and the future plans of the Issuer for UBI Banca, and the present ownership structure of UBI Banca, if the Percentage Threshold Condition is not fulfilled, ISP reserves the right to waive that Condition Precedent entirely or in part and to proceed with the acquisition of all UBI Shares tendered in acceptance of the Offer, even if it involves a quantity of UBI Shares that is less than what is indicated hereinabove. Any waiver of that Condition Precedent will be decided by the Issuer only if, upon conclusion of the Offer – through the acceptances of the Offer and/or any acquisitions made outside of the Offer itself pursuant to applicable laws — it comes to hold a total interest equal to at least 50% plus 1 (one) UBI Share of the share capital of UBI Banca (the “**Minimum Threshold Condition**”), with it being noted that this condition is imposed in the exclusive interest of the Issuer.

Lastly, in accordance with article 23, paragraphs 1 and 2, of the Prospectus Regulation, if a supplement to the Prospectus is published to announce “*a significant new factor, material mistake or material inaccuracy relating to the information included in a prospectus which may affect the assessment of the securities and which arises or is noted between the time when the prospectus is approved and the closing of the offer period*”, the holders of the UBI Shares that have accepted the Offer prior to the publication of that supplement will have the right to cancel their acceptances, by means of notification to that effect, within two business days from the date of its publication, provided the new factor, material mistake or material inaccuracy that gave rise to that publication has emerged or has been discovered prior to the final deadline for the Offer or the delivery of the ISP Shares (offered as Consideration), if it is precedent. In such case, the UBI Shares tendered in acceptance of the Offer will be returned to the respective holders, without charge or expense, without delay and in any event by the first Trading Day following the cancellation request.

6. ADMISSION TO TRADING AND DEALING ARRANGEMENTS

6.1 Application for admission to trading

The New Shares will be admitted to trading on the MTA market, along with the ISP Shares outstanding at the Date of the Securities Note.

The New Shares will be automatically traded, in accordance with article 2.4.1 of the Stock Exchange Rules and article IA.2.1.9 of the Stock Exchange Instructions, on the same market on which the Shares are traded (*i.e.* the MTA market), since they will be fungible with, and have the same characteristics as, the ISP Shares already listed and will represent, over a period of 12 months, less than 20% of the number of ISP Shares already admitted to trading on the same regulated market.

6.2 Other regulated markets

At the Date of the Securities Note, the Shares of the Issuer are not listed on any other regulated market other than the MTA market.

6.3 Other transactions

Not applicable.

6.4 Commitments of intermediaries in secondary trading

Not applicable.

7. SELLING SECURITIES HOLDERS

Not applicable.

8. EXPENSES OF THE TRANSACTION

The total expense of the Public Exchange Offer Share Capital Increase is estimated at 10 million euro.

9. DILUTION

The New Shares resulting from the Public Exchange Offer Share Capital Increase will be issued without the option right since they are offered in exchange to the holders of UBI Shares who are recipients of the Public Exchange Offer.

As a result, the current shareholders of the Bank will be diluted in the share capital of Intesa Sanpaolo. In detail, the percentage dilution of the current shareholders in the share capital of the Issuer is dependent on the outcome of the Public Exchange Offer, since the number of New Shares to be issued to service the Public Exchange Offer will be dependent on the number of acceptances of the Public Exchange Offer.

The table below shows examples of the dilutive effects on the Issuer's current shareholders in the case in which - in the context of the Public Exchange Offer and upon completion of the Public Exchange Offer Share Capital Increase - the Issuer should come to hold: (i) a total interest in the share capital of UBI Banca equal to 50% plus 1 (one) UBI ordinary share ("**Scenario 1**"); (ii) a total interest in the share capital of UBI Banca equal to 66.67% ("**Scenario 2**"); or (iii) a total interest in the share capital of UBI Banca equal to 100% ("**Scenario 3**").

		At the Date of the Securities Note	After the Public Exchange Offer Share Capital Increase
Scenario 1	No. of shares	17,509,728,425	18,482,370,811
	Shares held by the Issuer's current shareholders	17,509,728,425	17,509,728,425
	% of share capital held by the Issuer's current shareholders	100%	94.7%
Scenario 2	No. of shares	17,509,728,425	18,806,649,772
	Shares held by the Issuer's current shareholders	17,509,728,425	17,509,728,425
	% of share capital held by the Issuer's current shareholders	100%	93.1%
Scenario 3	No. of shares	17,509,728,425	19,455,013,180
	Shares held by the Issuer's current shareholders	17,509,728,425	17,509,728,425
	% of share capital held by the Issuer's current shareholders	100%	90.0%

Therefore, the percentage dilution of the current shareholders of the Issuer's share capital, subsequent to the subscription of the Public Exchange Offer Share Capital Increase, will be equal to: (i) 5.3% in Scenario 1; (ii) 6.9% in Scenario 2; and (iii) 10% in Scenario 3.

10. ADDITIONAL INFORMATION

10.1 Advisors connected with the transaction

The financial advisors involved in the transaction are listed below.

Name	Role
Mediobanca - Banca di Credito Finanziario S.p.A.	Financial advisor in connection with the Public Exchange Offer (Lead Financial Advisor)
Equita SIM S.p.A.	Financial advisor in connection with the Public Exchange Offer (Joint Financial Advisor)
J.P. Morgan	Financial advisor in connection with the Public Exchange Offer (Joint Financial Advisor)
Morgan Stanley & Co. International plc	Financial advisor in connection with the Public Exchange Offer (Joint Financial Advisor)
UBS Investment Bank	Financial advisor in connection with the Public Exchange Offer (Joint Financial Advisor)

10.2 Other information audited

Save as provided for in Part B, Section 3, Paragraph 3.4 of the Securities Note, the Securities Note does not contain any additional information, other than that contained in the Registration Document, that has been subject to independent statutory audit or limited review.

DEFINITIONS

The terms defined in the Securities Note have the meaning given to them in the Registration Document. Below is a list of the main definitions and recurring terms used in the Securities Note. Except where otherwise specified, these definitions and terms shall have the meaning indicated below. Additional terms used in the Securities Note have the meaning given to them in the text thereof.

BPER Agreement	This shall mean the agreement signed by the Issuer and BPER on 17 February 2020, as subsequently supplemented by the parties, respectively on 19 March 2020 and 15 June 2020, pursuant to which BPER undertook to acquire a business unit composed of 532 bank branches of the ISP Group, as supplemented upon completion of the Offer (that will be comprised by branches of the ISP Group after its integration with UBI Banca and not represented only by branches of the former UBI Banca) and related staff and customer relationships.
Unipol Agreement	This shall mean the agreement signed by the Issuer and Unipol on 17 February 2017, under which Unipol agreed to purchase business units comprising certain assets and liabilities of the bancassurance vehicles held by UBI Banca, if and insofar as the Public Exchange Offer is completed, and following the possible acquisition of control of Lombarda Vita S.p.A. and/or Aviva Vita S.p.A. by UBI Banca. All of the foregoing is subject, inter alia, to the completion of the sale of the Banking Business Unit to BPER in accordance with the BPER Agreement, at the terms and conditions set forth therein and described in Part B, Section 14, Paragraph 14.1.2, of the Registration Document.
Public Exchange Offer Share Capital Increase	This shall mean the increase in ISP's share capital to service the Public Exchange Offer, against payment and to be carried out on one or more occasions, without option right pursuant to article 2441, paragraph 4, first period of the Italian Civil Code, for a maximum nominal amount of 1,011,548,072.60 euro approved by the Board of Directors of the Issuer on 16 June 2020 – in exercise of the delegated powers assigned to the Board by the extraordinary shareholders' meeting of the Issuer of 27 April 2020 pursuant to article 2443 of the Italian Civil Code – to be carried out by issuing a maximum of no. 1,945,284,755 ISP Shares, to be paid for by the contribution in kind of the UBI Shares tendered in acceptance of the Offer.
Shares or ISP Shares	This shall mean the ordinary shares of the Issuer, without nominal value, admitted to trading on the MTA market.
UBI Shares	This shall mean the ordinary shares of UBI Banca, without nominal value, admitted to trading on the MTA market.
Bank or Issuer or Intesa Sanpaolo or ISP	This shall mean Intesa Sanpaolo S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, with registered office in Piazza San Carlo no. 156, Turin, registration number in the Turin Company Register and Tax Code 00799960158, entered in the National Register of Banks under no. 5361 - ABI 3069.2, and the National Register of Banking Groups under no. 3069.2, Parent Company of the "Intesa Sanpaolo Banking Group", a member of the National Interbank Deposit Guarantee Fund and of the National Guarantee Fund.
Borsa Italiana	This shall mean Borsa Italiana S.p.A., based in Piazza degli Affari no. 6, Milan.
Italian Civil Code	This shall mean Royal Decree no. 262 of 16 March 1942, as amended.
Conditions Precedent of the Public Exchange Offer or Conditions Precedent	This shall mean the conditions that shall be described in Section A, Paragraph A.1, of the Offer Document, the fulfilment of which (or the waiver, by the Issuer, of all or some of them, where provided for) is conditional on the completion of the Public Exchange Offer.
Transfer	This shall mean the transfer in kind to the Issuer of the UBI Shares tendered for the Public Exchange Offer.
Consob	This shall mean the Commissione Nazionale per le Società e la Borsa

(Italian stock exchange authority), based in Via G.B. Martini no. 3, Rome.

Consideration	This shall mean the consideration paid by the Issuer to the subscribers for each UBI Share tendered in acceptance of the Offer, equal to no. 1.7000 ISP Shares for each UBI Share.
Date of the Securities Note	This shall mean the date of approval of the Securities Note by Consob.
Payment Date	This shall mean the date on which the payment of the Consideration will be made to the acceptors of the Public Exchange Offer for each UBI Share tendered in acceptance of the Public Exchange Offer and on which the transfer of those UBI Shares to the Issuer will take place, corresponding to the fifth Trading Day following the last day of the acceptance period (unless extended in accordance with the applicable regulations).
Offer Document	This shall mean the offer document drawn up by the Bank in relation to the Public Exchange Offer, filed with Consob pursuant to article 102, paragraph 3, of the Consolidated Law on Finance on 6 March 2020 for the purposes of Consob's approval. This document will be made available to the public in accordance with the terms and methods set out by law, once approved by Consob.
Registration Document	This shall mean the registration document relating to the Issuer, published together with the Securities Note and the Summary. The Registration Document is made available to the public on its publication date, and will be available for its entire validity period, at the registered office of the Intesa Sanpaolo in Turin, Piazza San Carlo no. 156 and at the secondary registered office of Intesa Sanpaolo S.p.A. in Milan, Via Monte di Pietà no. 8, as well as on the Issuer's website (group.intesasanpaolo.com).
Group or Intesa Sanpaolo Group or ISP Group	This shall mean the "Intesa Sanpaolo Banking Group", entered in the National Register of Banking Groups under no. 3069.2, headed by Intesa Sanpaolo.
UBI Banking Group or UBI Group	This shall mean the "Unione di Banche Italiane Banking Group", entered in the National Register of Banking Groups under no. 3111.2, headed by UBI Banca.
ISP Commitments	The commitments of a structural nature involving the disposal of the Additional UBI Branches that the Intesa Sanpaolo has agreed to make for the possibility that even after the sale of the Banking Business Unit to BPER, in the opinion of AGCM, there may still be some antitrust issues in certain local areas (where there are no branches being sold to BPER).
Stock Exchange Instructions	This shall mean the instructions to the Stock Exchange Rules, in force as at the Date of the Securities Note.
Monte Titoli	This shall mean Monte Titoli S.p.A., based in Piazza degli Affari no. 6, Milan.
MTA market	This shall mean the Mercato Telematico Azionario (electronic stock exchange) organised and managed by Borsa Italiana.
Summary	This shall mean the summary published together with the Registration Document and the Securities Note. The Summary is made available to the public on its publication date, and will be available for its entire validity period, at the registered office of the Intesa Sanpaolo in Turin, Piazza San Carlo no. 156 and on the Issuer's website (group.intesasanpaolo.com).
Securities Note	This shall mean this securities note.
New Shares	This shall mean the ordinary shares of the Issuer, without nominal value, and with the same characteristics as the ordinary shares already outstanding, deriving from the Public Exchange Offer Share Capital Increase.
Public Exchange Offer or Offer	This shall mean the voluntary public exchange offer on the UBI Shares announced via the press releases published by the Issuer on 17 February 2020 in accordance with article 102, paragraph 1, of the Consolidated Law

on Finance, article 37, paragraph 1, of the Issuers' Regulation and article 17 of the Market Abuse Regulation.

2018-2021 Business Plan	This shall mean the "2018-2021 Business Plan" of the Group, approved by the Issuer's Board of Directors on 6 February 2018.
Prospectus	This shall mean, together, the Registration Document, the Securities Note and the Summary.
ECB Recommendation 2020/19	This shall mean the European Central Bank Recommendation of 27 March 2020 (ECB/2020/19), entitled " <i>Recommendation on dividend distributions during the COVID-19 pandemic repealing Recommendation ECB/2020/1 (ECB/2020/19)</i> ", addressed to significant banks and banking groups, regarding dividend distribution policies in the situation resulting from the COVID-19 (so-called coronavirus) pandemic.
Delegated Regulation (EU) 2019/980	This shall mean the Commission Delegated Regulation of 14 March 2019, supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) 809/2004.
Stock Exchange Rules	This shall mean the Rules governing the Markets organised and managed by Borsa Italiana, in force as at the Date of the Securities Note.
Issuers' Regulation	This shall mean the regulation approved by Consob with resolution no. 11971 of 14 May 1999, as amended, in force as at the Date of the Securities Note.
Prospectus Regulation	This shall mean Regulation (EU) 1129/2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
Independent Auditor	KPMG S.p.A., with registered office in Milan, Via Vittor Pisani 25, entered in the Special Register of Independent Auditors kept by the Ministry of the Economy and Finance pursuant to article 161 of the Consolidated Law on Finance and entered in the Register of Statutory Auditors pursuant to articles 6 et seq. of Legislative Decree 39/2010 (sequential number 70623).
Articles of Association	This shall mean the Issuer's Articles of Association, in force at the Date of the Securities Note.
Consolidated Law on Banking	This shall mean Legislative Decree no. 385 of 1 September 1993, as amended.
Consolidated Law on Finance	This shall mean Italian Legislative Decree No. 58 of 24 February 1998 (Consolidated Law on Finance), as amended, in force as at the Date of the Securities Note.
UBI Banca	This shall mean Unione di Banche Italiane S.p.A., a joint stock company incorporated under the laws of the Republic of Italy, with registered office in Piazza Vittorio Veneto no. 8, Bergamo, registration number in the Bergamo Company Register and Tax Code 03053920165, National Register of Banks no. 5678 - ABI (Italian Banking Association) no. 3111.2 and National Register of Banking Groups no. 3111.2, Parent Company of the "Unione di Banche Italiane Banking Group", a member of the National Interbank Deposit Guarantee Fund and of the National Guarantee Fund.
Additional UBI Branches	This shall mean the 17 UBI Banca branches to which the ISP Commitments refer.

GLOSSARY

See the Glossary contained in the Registration Document.