

**SUPPLEMENT DATED 10 AUGUST 2018 TO  
THE BASE PROSPECTUS DATED 10 OCTOBER 2017**



**IREN S.p.A.**

*(a company limited by shares incorporated under the laws of the Republic of Italy)*

**€2,000,000,000**

**Euro Medium Term Note Programme**

This supplement (the “**Supplement**”) to the base prospectus dated 10 October 2017 (the “**Base Prospectus**”), constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) as implemented in Ireland by the Prospectus (Directive 2003/71/EC) Regulations 2005, as amended (the “**Prospectus Regulations**”) and is prepared in connection with the Euro Medium Term Note Programme (the “**Programme**”) established by Iren S.p.A. (the “**Issuer**”). Terms defined in the Base Prospectus have the same meaning when used in this Supplement.

This Supplement is supplemental to, and should be read in conjunction with, the Base Prospectus.

The Issuer accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

With effect from the date of this Supplement, each reference in the Base Prospectus to “Base Prospectus” shall be read and construed as a reference to the Base Prospectus as amended and supplemented by this Supplement. To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since publication of the Base Prospectus.

## Purpose of the Supplement

The purpose of this Supplement is (i) to update the cover page of the Base Prospectus; (ii) to amend the “*Important Notices*” section of the Base Prospectus; (iii) to update the “*Risk Factors*” section of the Base Prospectus; (iv) to update the “*Information Incorporated by Reference*” section of the Base Prospectus to incorporate by reference (a) the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2017, (b) the unaudited consolidated interim financial information of the Issuer as at and for the three-month period ended 31 March 2018 and (c) press releases relating to the Issuer and its Group; (v) to amend the “*Form of Final Terms*” section of the Base Prospectus; (vi) to update the “*Use of Proceeds*” section of the Base Prospectus; (vii) to update the “*Description of the Issuer*” section of the Base Prospectus, also inserting a paragraph headed “*Recent Developments*” and (viii) to update the “*General Information*” section of the Base Prospectus.

\* \* \*

## AMENDMENTS AND ADDITIONS TO THE BASE PROSPECTUS

### COVER PAGE

On the cover page of the Base Prospectus, the following paragraph is inserted immediately after the sixth paragraph:

“As specified in the relevant Final Terms, amounts payable under the Notes may be calculated by reference to EURIBOR or LIBOR, which are respectively provided by the European Money Markets Institute (“**EMMI**”) and ICE Benchmark Administration Limited (“**ICE**”) or the CMS Rate, which may be provided by (among others) International Swaps and Derivatives Association (“**ISDA**”). As at the date of this Base Prospectus, ICE is included on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (“**ESMA**”) pursuant to article 36 of the Regulation (EU) No. 1011/2016 (the “**Benchmarks Regulation**”). As at the date of this Base Prospectus EMMI and ISDA are not included on the register of administrators and benchmarks established and maintained by the ESMA pursuant to article 36 of the Benchmarks Regulation. As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply such that EMMI and ISDA are not currently required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence)”;

\* \* \*

### IMPORTANT NOTICES

In the section entitled “*Important Notices*”, the following paragraph is inserted immediately after the second paragraph on page 3 of the Base Prospectus:

“**MIFID II PRODUCT GOVERNANCE / TARGET MARKET:** The Final Terms in respect of any Notes may include a legend entitled “*MiFID II Product Governance / Target Market*” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels. A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the “**MiFID Product Governance**”

**Rules**”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.”

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## **RISK FACTORS**

The section entitled “*Risk Factors*” is amended as follows.

### **Risks relating to the Notes**

In the sub-section entitled “*Risk relating to the Notes*”, the following text is inserted immediately after the last paragraph at the bottom of page 28:

#### *“Changes in reference rates*

Reference rates and indices, including interest rate benchmarks such as the London Interbank Offered Rate (“**LIBOR**”) and the Euro Interbank Offered Rate (“**EURIBOR**”), which are used to determine the amounts payable under financial instruments or the value of such financial instruments (“**Benchmarks**”) have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated under the Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”) which applied in general from 1 January 2018, with the exception of certain provisions, mainly on critical Benchmarks that applied from 30 June 2016.

Under the Benchmarks Regulation, new requirements will apply with respect to the provision of a wide range of benchmarks (including LIBOR and EURIBOR), the contribution of input data to a benchmark and the use of a benchmark within the European Union. In particular, the Benchmarks Regulation will, among other things: (i) require benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of benchmarks and (ii) prevent certain uses by EU-supervised entities of benchmarks of administrators that are not authorised or registered (or, if non-EU-based, deemed equivalent or recognised or endorsed).

In particular, the sustainability of LIBOR has been questioned by the UK Financial Conduct Authority (“**FCA**”) as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms) for market participants to continue contributing to such benchmarks. In July 2017, the chief executive of the FCA announced that the FCA does not intend to continue to encourage, or use its power to compel, panel banks to provide rate submissions for the calculation of the LIBOR benchmark to be set beyond the end of 2021 and that, as a result, there can be no guarantee that LIBOR will be determined after 2021 on the same basis at present, if at all.

With regard to EURIBOR, in March 2017, the European Money Markets Institute (formerly Euribor-EBF) (the “**EMMI**”) published a position paper referring to certain proposed reforms to EURIBOR, which reforms aim to clarify the EURIBOR specification, to develop a transaction-based methodology for EURIBOR and to align the relevant methodology with the Benchmarks Regulation, the IOSCO Principles for Financial Benchmarks and other regulatory recommendations. The EMMI has since indicated that there has been a “change in market activity as a result of the current regulatory requirements and a negative interest rate environment” and “under the current market conditions it will not be feasible to evolve the current EURIBOR methodology to a fully transaction-based methodology

following a seamless transition path". It is the current intention of the EMMI to develop a hybrid methodology for EURIBOR.

The Programme provides for the issuance of Notes with a floating rate of interest determined on the basis of Benchmarks including LIBOR and EURIBOR. The reforms outlined above and other pressures may cause one or more Benchmarks to disappear entirely, to perform differently than in the past (as a result of a change in methodology or otherwise), create disincentives for market participants to continue to administer or participate in certain Benchmarks or have other consequences which cannot be predicted.

Based on the foregoing, prospective investors should in particular be aware that:

- (a) any of these reforms or pressures described above or any other changes to a Benchmark (including LIBOR and EURIBOR) could affect the level of the published rate, including to cause it to be lower and/or more volatile than it would otherwise be;
- (b) if LIBOR or EURIBOR or any other relevant Benchmark is discontinued or is otherwise unavailable, then the rate of interest on the Notes (in relation to which Screen Rate Determination is specified in the relevant Final Terms as the manner in which the Interest Rate is to be determined) will be determined for a period by the fall-back provisions provided for under Condition 7 (c) (*Floating Rate Note and Inverse Floating Rate Note Provisions*), although such provisions, being dependent in part upon the provision by the principal Relevant Financial Centre office of the reference banks of offered quotations for the relevant Benchmark to prime banks in the Relevant Financial Centre interbank market, may not operate as intended (depending on market circumstances and the availability of rates information at the relevant time) and may in certain circumstances result in the effective application of a fixed rate based on the rate which applied in the previous Interest Period when LIBOR or EURIBOR was available; and
- (c) if LIBOR, EURIBOR or any other relevant Benchmark is discontinued, there can be no assurance that the operation of the applicable fall-back provisions would not have an indirect impact on the ability of the Issuer to meet its obligations under the Notes.

The Benchmarks Regulation could also have a material impact on any Notes linked to LIBOR, EURIBOR or any other relevant Benchmark, including any of the following circumstances: (i) an index which is a benchmark may not be used as such if its administrator does not obtain appropriate EU authorisations or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, depending on the particular Benchmark and the applicable terms of the Notes, the Notes could be delisted (if listed), adjusted, redeemed or otherwise impacted; (ii) the methodology or other terms of the Benchmarks related to a series of the Notes could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing or increasing the rate or level of the Benchmarks or affecting the volatility of the published rate or level.

Moreover, any of the above matters or any other significant change to the setting or existence of LIBOR, EURIBOR or any other relevant Benchmark could affect the ability of the Issuer to meet its obligations under the Floating Rate Notes or could have a material adverse effect on the value or liquidity of, and the amount payable under, the Floating Rate Notes. No assurance may be provided that relevant changes will not occur with respect to LIBOR, EURIBOR or any other relevant Benchmark and/or that such Benchmarks will continue to exist. Investors should consider these matters when making their investment decision with respect to the Floating Rate Notes".

## **INFORMATION INCORPORATED BY REFERENCE**

The information set out below (i) supplements the section “*Information incorporated by reference*” on pages 34 and 35 of the Base Prospectus and (ii) does not replace any of the disclosure already contained in the Base Prospectus.

The following information is incorporated in, and forms part of, this Supplement and of the Base Prospectus:

1. the audited consolidated annual financial statements of the Issuer as at and for the year ended 31 December 2017 contained in the Issuer’s Annual Report at 31 December 2017, together with the accompanying notes and auditors’ report;
2. the unaudited consolidated interim financial information of the Issuer as at and for the three-month period ended 31 March 2018 contained in the Issuer’s Interim Report at 31 March 2018;
3. the press release dated 11 April 2018 and entitled “Closing of the business combination between IREN and the ACAM Group”; and
4. the press release dated 2 August 2018 and entitled “The Board of Directors has approved the results at 30 June 2018 with a strong growth in operating indicators and investments”.

All references in the Base Prospectus to information incorporated by reference in the Base Prospectus are deemed to include the above information.

### **Access to documents**

Each of the above documents have been previously filed with the Central Bank of Ireland and can be accessed on the following addresses on the Issuer’s website:

- Annual Report at 31 December 2017:  
[https://www.gruppoiren.it/documents/21402/91033/Annual+Report+at+31+december+2017\\_DE\\_F.pdf/e7215f58-0c07-48b4-9696-4fa003fc58b3](https://www.gruppoiren.it/documents/21402/91033/Annual+Report+at+31+december+2017_DE_F.pdf/e7215f58-0c07-48b4-9696-4fa003fc58b3)
- Interim Report at 31 March 2018:  
[https://www.gruppoiren.it/documents/21402/301929/Relazione+Trimestrale+Consolidata+31.03.2018\\_EN.pdf/b27ab598-35ec-46bc-8e86-44b2328cec50](https://www.gruppoiren.it/documents/21402/301929/Relazione+Trimestrale+Consolidata+31.03.2018_EN.pdf/b27ab598-35ec-46bc-8e86-44b2328cec50)
- Press release dated 11 April 2018:  
[https://www.gruppoiren.it/documents/21402/274928/2018\\_11\\_4\\_ACAMfin\\_eng1/d95140b7-9551-431d-adaf-9b4ad5cc5f16](https://www.gruppoiren.it/documents/21402/274928/2018_11_4_ACAMfin_eng1/d95140b7-9551-431d-adaf-9b4ad5cc5f16)
- Press release dated 2 August 2018:  
[https://www.gruppoiren.it/documents/21402/274928/2018\\_8\\_2\\_IREN\\_1H\\_results\\_eng/b1f5dec1-67a2-4dc0-b728-1ad4d088d3fd](https://www.gruppoiren.it/documents/21402/274928/2018_8_2_IREN_1H_results_eng/b1f5dec1-67a2-4dc0-b728-1ad4d088d3fd)

### **Cross-reference list**

The following table shows where the information incorporated by reference in this Supplement and in the Base Prospectus can be found in the above-mentioned documents. Information contained in those documents other than the information listed below does not form part of this Supplement and

the Base Prospectus and is either not relevant or covered elsewhere in this Supplement and in the Base Prospectus.

<b>Document</b>	<b>Page number(s)</b>
<b><i>Annual Report at 31 December 2017</i></b>	
Statement of financial position	132 - 133
Income statement	134
Statement of other comprehensive income	135
Statement of changes in equity	136 - 137
Statement of cash flows	138
Notes to the financial statements	139 - 230
Report of external auditors	232 - 241
<b><i>Interim Report at 31 March 2018</i></b>	
Basis of preparation	40 - 44
Consolidation policies	45 - 46
Consolidation scope	47
Statement of consolidated financial position	48 - 49
Consolidated income statement	50
Statement of other comprehensive income	51
Statement of changes in consolidated equity	52 - 53
Consolidated statement of cash flows	54

The press releases dated 11 April 2018 and 2 August 2018 are incorporated by reference in their entirety.

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### **FORM OF FINAL TERMS**

In the section entitled “*Form of Final Terms*” on page 72 of the Base Prospectus the following paragraph is added immediately after the second paragraph:

“**MIFID II Product Governance / Target Market** – Solely for the purposes of [the/each] manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in [Directive 2014/65/EU (as amended, “**MiFID II**”)]; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels”.

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### **USE OF PROCEEDS**

In the section entitled “*Use of Proceeds*” on pages 93-94 of the Base Prospectus the following information are added in the fifth paragraph immediately after letter (d):

(e) *Adaptation:*

- Water efficiency

(f) *Transport*

- Electric Vehicles

\* \* \*

### **DESCRIPTION OF THE ISSUER**

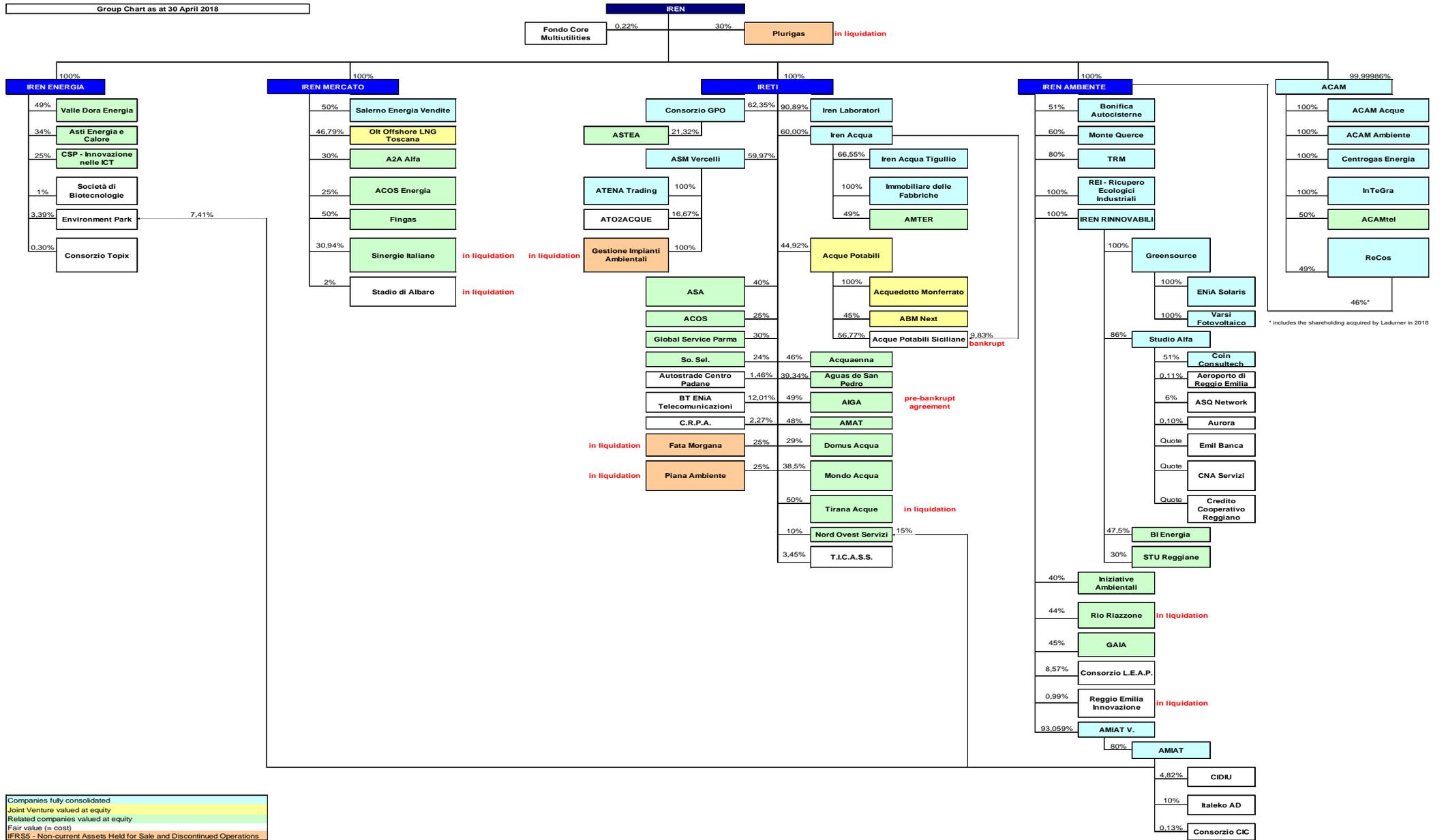
The section of the Base Prospectus entitled “*Description of the Issuer*” starting on page 95 is supplemented as set out in further detail below.

#### **The Group**

The following text and chart replaces the information in the sub-section headed “*The Group*” on pages 97-98 of the Base Prospectus:

#### **“The Group**

The following organisational chart illustrates the main subsidiaries of Iren as at 30 April 2018.



## Share Capital and Shareholder Structure

The sub-sections headed “*Share capital*”, “*Shareholders*” and “*Shareholders’ agreements*” on pages 115 - 116 of the Base Prospectus are deleted and replaced by the following:

### “*Share capital*”

Following the conversion of all the Issuer’s savings shares into ordinary shares and the subscription of new ordinary shares by former shareholders of ACAM S.p.A. (see “*Recent Developments*” below), as at the date of this Supplement, Iren has a share capital of €1,300,931,377, fully paid up and consisting of 1,300,931,377 ordinary shares with a nominal value of €1.00 each.

The Issuer’s shares are admitted to trading on the Blue Chip segment of the MTA.

### **Shareholders**

Iren has a widely distributed share ownership structure with over 91 different public shareholders mainly consisting of (i) municipalities from the Emilia Romagna region (the municipality of Reggio Emilia with 40 municipalities in the Province of Reggio Emilia, the municipality of Piacenza, the municipality of Parma, directly and acting through S.T.T. Holding S.p.A. and Parma Infrastrutture S.p.A.), (ii) the City of Genoa acting through Finanziaria Sviluppo Utilities S.r.l. (“**FSU**”); (iii) the City of Turin acting through Finanziaria Città di Torino Holding S.p.A. (“**FCT Holding**”); and (iv) 27 Municipalities in the provinces of La Spezia, including La Spezia Municipality as well and Liguria Patrimonio S.r.l. In addition, there are several Italian and international institutional investors and private shareholders.

FSU was previously controlled jointly by the City of Genoa and the City of Turin but, following its demerger in July 2018, is now wholly owned by the City of Genoa, whereas the City of Turin now holds its shares in the Issuer through FCT Holding, in which it holds 100% of the share capital.

The following table sets out details of the persons who have significant shareholdings in the Issuer as at the date of this Base Prospectus, which is based on disclosures required under Italian law to be made to the Issuer and to CONSOB (the Italian financial markets regulator).

<b>Shareholder</b>	<b>Number of shares</b>	<b>% of total share capital</b>
Finanziaria Sviluppo Utilities S.r.l.	212,499,617	16.3344%
Finanziaria Città di Torino Holding S.p.A.	212,499,617	16.3344%
Municipality of Reggio Emilia	89,727,464	6.90%
Municipality of Parma	41,158,566	3.16 %
Municipality of Piacenza	19,759,547	1.52%
Other Municipalities in Emilia	73,191,817	5.63%
Municipality of La Spezia	9,838,560	0.76%
Other municipalities in the Province of La Spezia including Liguria Patrimonio S.r.l.	14,867,140	1.14%
Kairos Partners SGR	39,192,221	3.01%
Clearstream banking Luxembourg	47,064,509	3.62%
Other shareholders	541,132,319	41.60%
<b>Total</b>	<b>1,300,931,377</b>	<b>100.00%</b>

As at the date of this Base Prospectus, shareholdings of public entities represented 51.77% of the total share capital of the Issuer.

### **Shareholders' agreements**

On 9 May 2016, a shareholders' agreement (the "**Shareholders' Agreement**") between FSU and 64 public shareholders in Emilia was signed, replacing the previous shareholders' agreement, with the aim of, among other things, safeguarding the unity and stability of the direction of the Issuer. The Shareholders' Agreement includes a veto and voting syndicate, with the objective of safeguarding the development of the Issuer, its subsidiaries and its activities and, in particular: (i) to determine how to consult and take certain joint decisions at shareholders' meetings; and (ii) to set limits on the circulation of ordinary shares. On 8 May 2018, following completion of the ACAM transaction in April 2018 (see "*Recent Developments*" below), 26 municipalities in the province of La Spezia, including La Spezia Municipality, became part of the Shareholders' Agreement. In addition, as a result of the demerger of FSU, FCT Holding replaced FSU in the Shareholders' Agreement in relation to the Iren shares assigned to it (see "- *Shareholders*" above).

The voting syndicate under the Shareholders' Agreement now covers all shares held by the parties to the agreement, currently 645,953,219 ordinary shares, representing 49.65% of the share capital. In addition, a total of 531,213,248 ordinary shares of Iren, representing 40.83% of Iren's share capital cannot be sold while the agreement is in force.

On 9 May 2016, a further agreement (the "**First Sub-Shareholders' Agreement**") was signed by 64 public shareholders in Emilia, covering all the shares held by them. The objectives of the First Sub-shareholders' Agreement are to (i) ensure the unity of conduct and rules on the decisions to be taken by the parties to the First Sub-Shareholders' Agreement, in compliance with the Shareholders' Agreement; (ii) grant pre-emption rights in the event of disposals of shares not included in the voting syndicate in favour of the parties to the agreement; (iii) grant to the Municipality of Reggio Emilia an irrevocable mandate to exercise certain rights of the other parties to the First Sub-Shareholders' Agreement.

Both agreements are for a term of three years starting from 9 May 2016, automatically renewed at the end of that period for a further two years, unless terminated by notice.

On 17 July 2018, as a consequence of the demerger of FSU, a further voting syndicate agreement (the "**Second Sub-Shareholders' Agreement**") was signed by FSU and FCT Holding, covering all the Iren shares held by them. The objectives of the Second Sub-Shareholders' Agreement are to ensure the jointly exercise of the voting rights and of the power to indicate candidates for Issuer's corporate's offices in compliance with the Shareholders' Agreement so as to ensure that all the provisions of the Shareholders' Agreement relating to FSU are jointly and seamlessly observed by FSU and FCT Holding. Furthermore, pursuant to the Second Sub-Shareholders' Agreement, FSU and FCT Holding agree to act as if they were a single shareholder with respect to the other parties of the Shareholders' Agreement."

### **Corporate Governance**

The sub-section headed "*Board of Statutory Auditors*" on pages 118-120 of the Base Prospectus is deleted and replaced by the following:

#### **"Board of Statutory Auditors**

The shareholders' meeting of Iren held on 19 April 2018 appointed the Board of Statutory Auditors of Iren for a period of three financial years, until the shareholder's meeting called to approve Iren's financial statement as at and for the financial year ending 31 December 2020.

The following table sets out the current members of the Board of Statutory Auditors of Iren and the main positions held by them outside Iren.

<b>Name</b>	<b>Position</b>	<b>Main positions held outside Iren</b>
Michele Rutigliano	Chairman	Chairman of Board of Statutory Auditors of UniCredit Subito Casa S.p.A. Chairman of Board of Statutory Auditors of Bancomat S.p.A. Chairman of Board of Statutory Auditors of Cordusio Sim S.p.A. Chairman of Board of Statutory Auditors of Fiditalia S.p.A. Statutory Auditor of Iren Mercato S.p.A. Statutory Auditor of Irete S.p.A.
Cristina Chiantia	Statutory Auditor	Statutory Auditor of Società Sinloc S.p.A.
Simone Caprari	Statutory Auditor	Director of Circolo Tennis di Albinea S.r.l. Liquidator of Tecnomet S.r.l. Director of Coopbox Group S.p.A. Director of CCPL S.p.A. Director of CCPL Consorzio Cooperative di produzione e lavoro SC Director of CCPL Inerti S.p.A. Director of Tangram S.p.A. Director of Resta S.r.l. Director of CCPL 2 S.p.A. Sole Auditor of Kverneland Group Italia S.r.l. Substitute Auditor of Lavorwash S.p.A. Statutory Auditor of Servizi Italia S.p.A. Sole Auditor of Comeser S.r.l. Substitute Auditor of Elettrotek kabel S.p.A. Chairman of Board of Statutory Auditors of Sicrea S.p.A. Independent Auditor of HMG S.r.l. in liquidation
Marco Rossi	Substitute Auditor	Statutory Auditor of Polifibra 2011 S.p.A. Statutory Auditor of Fornaroli Polimeri S.p.A. Independent Auditor of Capitelli F.Ili S.r.l. Statutory Auditor of Consorzio Tutela Vini Doc Colli Piacentini

<b>Name</b>	<b>Position</b>	<b>Main positions held outside Iren</b>
Donatella Busso	Substitute Auditor	Independent Director of Prima Industrie S.p.A. Independent Director of DeA Capital S.p.A. Independent Director of Banca 5 S.p.A. Independent Director of Umbra Cuscinetti S.p.A. Chairwoman of Board of Statutory Auditors of Candioli Farmaceutici S.p.A. Statutory Auditor of Sfoglia Torino S.r.l. Substitute Auditor of UnipolSai Assicurazioni S.p.A.

The substitute auditors automatically replace any standing auditors who resign or are otherwise unable to serve as a statutory auditor”.

### **Recent Developments**

The following sub-section is inserted at the end of the section entitled “*Description of the Issuer*”, on page 121 of the Base Prospectus:

#### **“Recent Developments**

##### ***Rating upgrade***

On 20 December 2017, Fitch announced that it had upgraded the Issuer’s long-term issuer default rating from “BBB-” to “BBB”. All references in the Base Prospectus to the rating assigned to the Issuer by Fitch are updated accordingly.

##### ***Conversion of savings shares***

On 2 March 2018, following the conversion of all the Issuer’s savings shares into ordinary shares, FCT Holding S.p.A. announced that it had sold all of the converted ordinary shares to third parties unconnected with the City of Turin, as provided for under the Issuer’s By-laws. As a result, the Issuer’s share capital is now made up of ordinary shares only.

##### ***Business combination with ACAM Group***

On 11 April 2018, the Issuer announced that it had closed the transaction involving a business combination with the ACAM Group, which operates in the Province of La Spezia, mainly in the integrated water cycle and waste sectors. The consideration for the acquisition by the Issuer of nearly all the share capital of ACAM S.p.A. was €59,000,274.29, of which €52,623,141.00 was accounted for by a total of 24,705,700 new ordinary shares of the Issuer, subscribed for by 27 ACAM shareholders comprising municipalities in the Province of La Spezia, with the remainder paid in cash. For further information, see the Issuer’s press release announcing the completion of the transaction, which is incorporated by reference in this Prospectus (see “*Information incorporated by reference*” above”).

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### **GENERAL INFORMATION**

The section of the Base Prospectus entitled “*General Information*” starting on page 178 is amended as follows.

### **Significant/Material Change**

The sub-section headed "*Significant/Material Change*" on page 178 of the Base Prospectus is deleted and replaced by the following:

#### **"Significant/Material Change**

Since 31 December 2017 there has been no material adverse change in the prospects of the Issuer and, since 31 March 2018, there has been no significant change in the financial or trading position of the Group".