

SUPPLEMENT DATED 28 OCTOBER 2016 TO THE

BASE PROSPECTUS DATED 23 MARCH 2016

MEDIOBANCA - Banca di Credito Finanziario S.p.A.

(incorporated with limited liability in the Republic of Italy)

MEDIOBANCA INTERNATIONAL (Luxembourg) S.A.

(incorporated with limited liability in Luxembourg)

Issuance Programme

**guaranteed in the case of Certificates and Warranties issued by Mediobanca International
(Luxembourg) S.A.**

by

MEDIOBANCA - Banca di Credito Finanziario S.p.A.



*This supplement dated 28 October 2016 (the “**Supplement**”) to the base prospectus dated 23 March 2016 (the “**Base Prospectus**”) constitutes a supplement for the purposes of Article 16 of Directive 2003/71/EC, as amended (the “**Prospectus Directive**”) and regulation 51 of the Prospectus Regulations 2005 of Ireland (the “**Irish Prospectus Regulations**”) and is prepared in connection with the Issuance Programme of Mediobanca - Banca di Credito Finanziario S.p.A. (“**Mediobanca**”) and Mediobanca International (Luxembourg) S.A. (“**Mediobanca International**”) (each an “**Issuer**” and together the “**Issuers**”).*

Capitalised terms used in this Supplement and not otherwise defined herein, shall have the same meaning ascribed to them in the Base Prospectus.

This Supplement constitutes a supplement to the Base Prospectus, and shall be read in conjunction with the Base Prospectus.

This Supplement is for the purposes of: (i) updating the "Summary of the Programme" section "B.4b" and "B.12" on pages 9-16 of the Base Prospectus; (ii) updating the risk factor "Risks in connection with the exposure of the Mediobanca Group to the Eurozone sovereign debt" set out in the section "Risk Factors" on page 58 of the Base Prospectus; (iii) updating the “Documents Incorporated by Reference” section on page 115 of the Base Prospectus to incorporate by reference (a) the audited consolidated annual financial statements of Mediobanca as at and for the year ended on 30 June 2016; (b) the audited non-consolidated annual financial statements of Mediobanca International as at

and for the year ended on 30 June 2016; (iv) updating the “Information on Mediobanca – Banca di Credito Finanziario S.p.A.” section and any other part of the Base Prospectus where such information is disclosed with the most recent information; and (v) updating the “Information on Mediobanca International (Luxembourg) S.A.” section and any other part of the Base Prospectus where such information is disclosed with the most recent information. The audited consolidated annual financial statements of Mediobanca as at and for the year ended on 30 June 2016 have been approved at the Board of Directors’ meeting of Mediobanca held on 21 September 2016. The financial statements for the year will be adopted by shareholders of Mediobanca at a general meeting scheduled on 28 October 2016.

Each of the Issuers and, with respect to Securities issued by Mediobanca International, also the Guarantor, accepts responsibility for the information contained in this document and, to the best of the knowledge of each of the Issuers and the Guarantor (which have taken all reasonable care to ensure that such is the case), the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

This Supplement has been approved by the Central Bank of Ireland (the “**Central Bank**” or “**CBI**”), as the competent authority under the Prospectus Directive. The Central Bank only approves this Supplement as meeting the requirements imposed under Irish and European law pursuant to the Prospectus Directive.

Investors who have already agreed to purchase or subscribe for the securities before this Supplement is published have the right, exercisable within a time limit of minimum two working days after the publication of this Supplement, to withdraw their acceptances. Accordingly, the final date for exercising the withdrawal right is 2 November 2016.

Copies of this Supplement will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Irish Stock Exchange's website (www.ise.ie), on the Mediobanca's website (www.mediobanca.it) and on the Mediobanca International's website (www.mediobancaint.lu).

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 in the Base Prospectus, the statements in (a) above will prevail.

The language of this Supplement is English. Any foreign language text that is included with or within this Supplement has been included for convenience purposes only and does not form part of this Supplement.

Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus.

“SUMMARY OF THE PROGRAMME”

The following paragraphs “B.4b Description of trends” and “B.12 Selected historical key information/material adverse change/significant changes”, shall replace the paragraphs “B.4b

Description of trends” and “B.12 Selected historical key information/material adverse change/significant changes” set out in the section Summary on pages 9-16 of the Base Prospectus:

| | | |
|-------------|------------------------------|---|
| B.4b | Description of trends | <p>Mediobanca</p> <p>Mediobanca is not aware of any trends affecting itself and the industries in which it operates.</p> <p>Mediobanca International</p> <p>Mediobanca International is not aware of any trends affecting itself and the industries in which it operates.</p> |
|-------------|------------------------------|---|

| B.12 | Selected historical key information / no material adverse change / significant changes | <p>Mediobanca</p> <p>The audited consolidated balance sheet and profit and loss account of Mediobanca as at 30 June 2016 are shown below, along with comparative data for the year ended 30 June 2015, plus a series of key financial indicators.</p> <p>Regulatory capital and solvency margins</p> <table border="1"> <thead> <tr> <th>Indicators and own funds (regulations in force since 1/1/14)</th> <th>30/6/16 (€m) or %</th> <th>30/6/15 (€m) or %</th> <th>Minimum levels set by law**</th> </tr> </thead> <tbody> <tr> <td>Common Equity Tier 1 – CET1</td> <td>6,504.8</td> <td>7,137.5</td> <td></td> </tr> <tr> <td>Additional Tier 1 – AT1</td> <td>-</td> <td>-</td> <td></td> </tr> <tr> <td>Tier 2 – T2</td> <td>1,722.4</td> <td>1,745.1</td> <td></td> </tr> <tr> <td>Own funds</td> <td>8,227.2</td> <td>8,882.6</td> <td></td> </tr> <tr> <td>RWAs*</td> <td>53,861.5</td> <td>59,577.1</td> <td></td> </tr> <tr> <td>Common Equity Tier 1 ratio – CET1 ratio</td> <td>12.08%</td> <td>11.98%</td> <td>7%</td> </tr> <tr> <td>Tier 1 ratio – T1 ratio</td> <td>12.8%</td> <td>11.98%</td> <td>8.5%</td> </tr> <tr> <td>Total capital ratio</td> <td>15.27%</td> <td>14.91%</td> <td>10.5%</td> </tr> <tr> <td>Risk – weighted assets/Total assets</td> <td>77.1%</td> <td>84.3%</td> <td></td> </tr> <tr> <td>Leverage ratio*** (temporary)</td> <td>9.5%</td> <td>10.9%</td> <td></td> </tr> </tbody> </table> <p>*Risk –weighted assets (RWAs) have been calculated using the standardised methodology for credit and market risks and the base methodology for operational risks.</p> <p>** Limits include the capital conservation buffer (2.5%) for the minimum levels set by the regulations.</p> <p>***The leverage ratio is the Group’s regulatory and tier 1 capital expressed as a percentage of its total exposure (i.e. the sum of its assets and off-balance-sheet exposures). This indicator was introduced by the Basel Committee to keep down debt and contain excessive use of financial leverage in the banking sector.</p> <table border="1"> <thead> <tr> <th>CREDIT RISK INDICATORS*</th> <th>30/6/15 (%)</th> <th>Banking system data as at 31/12/14 (%)**</th> <th>30/6/16 (%)</th> <th>Banking system data as at 31/12/15 (%)**</th> </tr> </thead> <tbody> <tr> <td>Gross bad loans/gross loans</td> <td>1.4%</td> <td>8.3%</td> <td>1.7%</td> <td>9.40%</td> </tr> <tr> <td>Net bad loans/net loans</td> <td>0.6%</td> <td>4.7%***</td> <td>0.7%</td> <td>5.0%</td> </tr> </tbody> </table> | Indicators and own funds (regulations in force since 1/1/14) | 30/6/16 (€m) or % | 30/6/15 (€m) or % | Minimum levels set by law** | Common Equity Tier 1 – CET1 | 6,504.8 | 7,137.5 | | Additional Tier 1 – AT1 | - | - | | Tier 2 – T2 | 1,722.4 | 1,745.1 | | Own funds | 8,227.2 | 8,882.6 | | RWAs* | 53,861.5 | 59,577.1 | | Common Equity Tier 1 ratio – CET1 ratio | 12.08% | 11.98% | 7% | Tier 1 ratio – T1 ratio | 12.8% | 11.98% | 8.5% | Total capital ratio | 15.27% | 14.91% | 10.5% | Risk – weighted assets/Total assets | 77.1% | 84.3% | | Leverage ratio*** (temporary) | 9.5% | 10.9% | | CREDIT RISK INDICATORS* | 30/6/15 (%) | Banking system data as at 31/12/14 (%)** | 30/6/16 (%) | Banking system data as at 31/12/15 (%)** | Gross bad loans/gross loans | 1.4% | 8.3% | 1.7% | 9.40% | Net bad loans/net loans | 0.6% | 4.7%*** | 0.7% | 5.0% |
|--|---|---|--|--|-------------------|-----------------------------|-----------------------------|---------|---------|--|-------------------------|---|---|--|-------------|---------|---------|--|-----------|---------|---------|--|-------|----------|----------|--|---|--------|--------|----|-------------------------|-------|--------|------|---------------------|--------|--------|-------|-------------------------------------|-------|-------|--|-------------------------------|------|-------|--|-------------------------|-------------|--|-------------|--|-----------------------------|------|------|------|-------|-------------------------|------|---------|------|------|
| Indicators and own funds (regulations in force since 1/1/14) | 30/6/16 (€m) or % | 30/6/15 (€m) or % | Minimum levels set by law** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Common Equity Tier 1 – CET1 | 6,504.8 | 7,137.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Additional Tier 1 – AT1 | - | - | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tier 2 – T2 | 1,722.4 | 1,745.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Own funds | 8,227.2 | 8,882.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| RWAs* | 53,861.5 | 59,577.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Common Equity Tier 1 ratio – CET1 ratio | 12.08% | 11.98% | 7% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tier 1 ratio – T1 ratio | 12.8% | 11.98% | 8.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total capital ratio | 15.27% | 14.91% | 10.5% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Risk – weighted assets/Total assets | 77.1% | 84.3% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Leverage ratio*** (temporary) | 9.5% | 10.9% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CREDIT RISK INDICATORS* | 30/6/15 (%) | Banking system data as at 31/12/14 (%)** | 30/6/16 (%) | Banking system data as at 31/12/15 (%)** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gross bad loans/gross loans | 1.4% | 8.3% | 1.7% | 9.40% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net bad loans/net loans | 0.6% | 4.7%*** | 0.7% | 5.0% | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| | | | | |
|-----------------------------------|-------|----------|-------|--------|
| Gross irregular items/gross loans | 5.5% | 15.8% | 5.9% | 17.50% |
| Net irregular items/loans | 2.7% | 10.9%*** | 2.9% | 10.8% |
| NPL coverage ratio | 65.6% | 56.9% | 66.6% | 58.60% |
| Irregular items coverage ratio | 53.2% | 40.8% | 54.3% | 43.40% |
| Net bad loans/net equity | 3.2% | % | 3.1% | n/a |
| Cost of risk**** | 1.68% | % | 1.24% | n/a |

* Data taken from information shown in part E of the notes to the accounts and refer to the entire prudential consolidation area.

** Data taken from reports of financial stability published on 1° April 2016, table 4.1, p. 34, and 1° April 2015, table 3.1, pag. 21 and refer to figures for large banks.

*** Data taken from annex to Bank of Italy annual reports for 2014 and 2015 and refer to figures for the total system.

****Cost of risk obtained from the ratio between total net loan loss provisions for the period and average net customer loans.

| COMPOSITION OF THE IMPAIRED LOANS* | 30/6/15 | 30/6/16 |
|---------------------------------------|-----------------|-----------------|
| | €m | €m |
| Bad loans | 270.96 | 255.03 |
| Unlikely to pay | 759.53 | 710.65 |
| Overdue impaired | 128.69 | 51.03 |
| TOTAL NPLs | 1,159.18 | 1,016.71 |

* Data taken from information shown in part E of the notes to the accounts and refer to the entire prudential consolidation area.

| MAIN CONSOLIDATED BALANCE SHEET ITEMS | 30/6/16 | 30/6/15 | CHANGES 2016/2015 % |
|--|-----------------|------------------|---------------------------|
| | €m | €m | |
| Assets | | | |
| Due from banks | 5,386.6 | 6,078.30 | -11% |
| Due from clients | 37,881.5 | 37,122.50 | 2% |
| Financial assets* | 21,053.5 | 21,990.60 | -4% |
| Total Assets | 69,818.6 | 70,710.60 | -1% |
| Liabilities | | | |
| Debt securities | 21,813.1 | 20,154.50 | 8% |
| Financial liabilities** | 19,421.70 | 23,194.10 | -16% |
| Direct funding (from customers)*** | 18,164.50 | 16,873.40 | 8% |
| Net interbank position**** | 6,553.70 | 8,225.70 | -20% |
| Net equity | 8,921.8 | 8,867.10 | 1% |
| of which: share capital | 435.5 | 433.60 | 0% |

*Includes financial assets held for trading, AFS securities, financial assets held to maturity and the hedge derivatives.

** Includes amounts due to banks, trading liabilities and the hedge derivatives.

***Includes amounts due to clients, and financial liabilities recognised at fair value.

**** Net balance between amounts due to banks and amounts due from banks.

| MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS | 30/6/16 | 30/6/15 | CHANGES 2016/2015 % |
|---|---------|---------|---------------------------|
| | €m | €m | |
| Net interest income* | 1,206.7 | 1,142.5 | 5.6% |
| Net fee and commission income | 322.7 | 366.3 | -11.9% |
| Total income* | 2,046.6 | 2,045.4 | 0.1% |
| Net profit from financial and insurance operations | 1,360.8 | 1,312.8 | 3.7% |
| Operating costs | -901.2 | -779.7 | 15.6% |

| | | | |
|--------------------------|--------------|--------------|--------------|
| Profit before Tax | 736.3 | 757.1 | -2.7% |
| Net Profit | 604.5 | 589.8 | 2.5% |

*Restated data (cfr. pag. 24 of the consolidated financial statements as at 30 June 2016). Total income not restated comes to a total of 1,746,951 as at 30 June 2016 and to 1,776,681 as at 30 June 2015 (cfr. pag. 68 of the consolidated financial statements as at 30 June 2016).

Mediobanca International

Selected annual financial information. The summary audited balance sheet, profit and loss account and cash flow statement of Mediobanca International as at 30 June 2016 are shown below, along with comparative data for the year ended 30 June 2015.

| MAIN CONSOLIDATED BALANCE SHEET ITEMS | 30/6/16 | 30/6/15 | CHANGES 2016/2015 % |
|---|----------------|----------------|---------------------|
| | €m | €m | |
| Assets | | | |
| Loans and advances to credit institutions | 1,801.7 | 1,271.1 | 41.7% |
| Loans and advances to customers | 3,404.3 | 2,365.8 | 43.9% |
| Financial assets* | 1,061.4 | 1,079.1 | -1.6% |
| Total Assets | 6,281.9 | 4,993.2 | 25.8% |
| Liabilities | | | |
| Debt securities in issue | 2,200.4 | 1,412.0 | 55.8% |
| Financial liabilities** | 2,893.9 | 2,297.8 | 27.7% |
| Amounts due to customers | 868.7 | 988.2 | -12.1% |
| Net equity | 288.7 | 264.8 | 9.0% |
| of which: share capital | 10.0 | 10.0 | 0.0% |
| Profit for the period | 19 | 23.9 | -20.5% |
| Total Liabilities | 6,281.9 | 4,993.2 | 25.8% |

* Includes Financial Assets held for trading, Financial Assets held to maturity and Hedging derivatives.

** Includes Amounts due to credit institutions, Trading liabilities and Hedging derivatives.

| MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS | 30/6/16 | 30/6/15 | CHANGES 2016/2015 % |
|---|-------------|-------------|---------------------|
| | €m | €m | |
| Net interest income | 30.3 | 27.6 | 9.8% |
| Net fee and commission income | 0.8 | 8.2 | -90% |
| Total income | 33.7 | 35.0 | -3.7% |
| Net income from banking activities | 34.7 | 35.9 | -3.3% |
| Administrative expenses | -7.7 | -6.1 | 26.2% |
| Profit before tax | 26.9 | 29.7 | -9.4% |
| Profit for the year | 19 | 23.9 | -20.5% |

| CASH FLOW FROM OPERATING ACTIVITIES | Year ended 30 June | |
|-------------------------------------|-------------------------|--------|
| | 2016 | 2015 |
| | <i>(Euro thousands)</i> | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| - Operating activities | 11,214 | -1,306 |

| | | | |
|--|---|-----------------|----------------|
| | - Cash generated/(absorbed) by financial assets | -1,117,162 | 258,072 |
| | - Cash (generated)/absorbed by financial liabilities | 919,212 | -291,750 |
| | Net cash flow (outflow) from operating activities | -186,736 | -34,984 |
| | | | |
| | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Net cash flow (outflow) from investment activities | 194,989 | 34,984 |
| | | | |
| | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Net cash flow (outflow) from financing activities | | - |
| | | | |
| | NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD | 8,253 | 128 |

| | | | |
|--|--|--|--|
| | <p>Mediobanca</p> <p><i>Material adverse change</i></p> <p>Since 30 June 2016 with respect to Mediobanca there have been no material adverse changes to the prospects of either Mediobanca or the Group headed up by it.</p> <p><i>Significant changes</i></p> <p>There have been no significant changes to financial or trading position of Mediobanca or the other companies forming part of the Group since the most recent financial information available was disclosed in the consolidated annual financial statements as at 30 June 2016.</p> <p>[Mediobanca International</p> <p><i>Material adverse change</i></p> <p>Since 30 June 2016 with respect to Mediobanca International there have been no material adverse changes to the prospects of Mediobanca International.</p> <p><i>Significant changes</i></p> <p>There have been no significant changes to financial or trading position of Mediobanca International since the most recent financial information available was disclosed in the non-consolidated annual financial statements as at 30 June 2016.]</p> | | |
|--|--|--|--|

“RISK FACTORS”

The following risk factor “*Risk in connection with the exposure of the Mediobanca Group to Eurozone sovereign debt*” shall replace the risk factor “*Risk in connection with the exposure of the Mediobanca Group to Eurozone sovereign debt*” set out in the section “*Risk Factors*” on page 58 of the Base Prospectus:

Risks in connection with the exposure of the Mediobanca Group to Eurozone sovereign debt

In carrying out its activities, the Mediobanca Group holds substantial volumes of public-sector bonds, including bonds issued by European countries. The Group’s total exposure in this respect as at 30 June 2016 is set out in the tables A.1.2.a and A.1.2.b of Part E of the audited consolidated annual financial statements of Mediobanca as at and for the year ended 30 June 2016 incorporated by reference into this Base Prospectus. This could give rise to operational disruptions to the Mediobanca Group’s business.

Furthermore, Mediobanca is affected by disruptions and volatility in the global financial markets. In particular, Mediobanca’s credit ratings are potentially exposed to the risk of reductions in the sovereign credit rating of Italy. On the basis of the methodologies used by rating agencies, further downgrades of Italy’s credit rating may have a potential knock-on effect on the credit rating of Italian issuers such as Mediobanca.

Thus, any negative developments in the Mediobanca Group’s sovereign exposure could adversely affect its results of operations, business and financial condition.

“DOCUMENTS INCORPORATED BY REFERENCE”

The following section “Document incorporated by reference” shall replace the section “Document incorporated by reference” set out on pages 115-117 of the Base Prospectus:

DOCUMENTS INCORPORATED BY REFERENCE

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

- the audited consolidated annual financial statements as at and for the years ended 30 June 2016 and 2015 of Mediobanca;
- the audited non-consolidated annual financial statements as at and for the years ended 30 June 2016 and 2015 of Mediobanca International;
- the Terms and Conditions of the Securities (pages 131 – 291) set out in the Base Prospectus dated 23 December 2014 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International;
- the Terms and Conditions of the Securities (pages 122 – 201) set out in the Base Prospectus dated 12 March 2013 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and

Mediobanca International; and

- the Terms and Conditions of the Securities (pages 215 – 268) set out in the Base Prospectus dated 30 November 2011 relating to the Euro 40,000,000,000 Issuance Programme of Mediobanca and Mediobanca International.

in the case of the above-mentioned financial statements, together with the accompanying notes and (where applicable) auditor's reports, save that any statement contained in this Base Prospectus or in any of the documents incorporated by reference in, and forming part of, this Base Prospectus shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained in any document subsequently incorporated by reference by way of supplement prepared in accordance with Article 16 of the Prospectus Directive modifies or supersedes such statement.

The Issuers will provide, without charge to each person to whom a copy of this Base Prospectus has been delivered, upon the request of such person, a copy of any or all the documents deemed to be incorporated by reference herein unless such documents have been modified or superseded as specified above, in which case the modified or superseded version of such document will be provided. Request for such documents should be directed to the Issuers at their offices set out at the end of this Base Prospectus. In addition, such documents will be available, without charge, at the principal office of the Paying Agent in Luxembourg and on the Mediobanca's website (<http://www.mediobanca.it/en/investor-relations/bilanci/financial-reports.html> with respect to the financial information and <http://raccoltaprophetaria.mediobanca.it/en/documents/index.html> with respect to the remaining documents listed above) and on the Mediobanca International's website (<http://www.mediobanca.it/en/about-us/locations/luxembourg.html>).

The following table shows where some of the information required under Annex IV and XI of Commission Regulation (EC) No. 809/2004, as amended, can be found in the above mentioned documents incorporated by reference. Any information contained in the documents incorporated by reference but not set out below is given for information purposes only.

The information incorporated by reference that is not included in the cross-reference list, is considered as additional information and is not required by the relevant annexes of Regulation (EC) No. 809/2004, as amended.

Cross-reference list in respect of the Mediobanca and Mediobanca International financial statements

Mediobanca - Consolidated annual financial statements

Commission Regulation (EC) No. 809/2004, Annex XI, Paragraph 11.1

| | 2016 | 2015 |
|---------------------------------------|--------------------|--------------------|
| Balance sheet | Pages 66-67 | Pages 66-67 |
| Statement of income | Page 68-69 | Pages 68-69 |
| Statement of changes in equity | Page 70-71 | Page 70-71 |
| Cashflow statement | Pages 72-73 | Pages 72-73 |

| | | |
|---|--|--|
| Accounting policies and explanatory notes | Pages 78-258 | Pages 78-259 |
| Auditors' reports | Pages 62-63 [Pages 56-57 pdf document] | Pages 62-63 [Pages 54- 56 pdf document] |

Mediobanca International - Non-Consolidated annual financial statements

| Commission Regulation (EC) No. 809/2004, Annex XI, Paragraph 11.1 | 2016 | 2015 |
|--|--------------|---------------|
| Statement of financial position | Page 28 | Page 26 |
| Statement of comprehensive income | Page 29 | Page 27 |
| Cashflow statement | Page 32 | Page 30 |
| Statement of changes in equity | Pages 30-31 | Pages 28-29 |
| Accounting policies and explanatory notes | Pages 34-150 | Pages 35- 154 |
| Auditors' reports | Pages 24-25 | Pages 22-23 |

“INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.” SECTION

The following section “Information on Mediobanca – Banca di credito Finanziario S.p.A.” shall replace the section “Mediobanca – Banca di credito Finanziario S.p.A.” on pages 346-366 of the Base Prospectus:

INFORMATION ON MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.P.A.

History and development of Mediobanca

Legal status and information

Mediobanca – Banca di Credito Finanziario S.p.A. was set up on 10 April 1946 by virtue of a notarial deed drawn up by Notary public Arturo Lovato, file no. 3041/52378. Mediobanca is a joint stock company incorporated under Italian law registered in the Milan Companies’ Register under Registration no. 00714490158 having its registered office and administrative headquarters in Piazzetta Enrico Cuccia 1, 20121 Milan, Italy, tel. no.: (0039) 02-88291. Mediobanca operates under Italian law, and the court of Milan has jurisdiction over any disputes arising against it.

Important events in Mediobanca’s recent history

Since 30 June 2016 there have been no negative changes either to the financial position or prospects of either Mediobanca or the Group headed up by it.

Neither Mediobanca nor any company in the Group have carried out transactions that have materially affected or that might be reasonably expected to materially affect, Mediobanca’s ability to meet its obligations towards third parties.

As at 18 January 2016 S&P rated Mediobanca A-3 (short-term debt), BBB- (long-term debt) and stable (outlook). www.mediobanca.it/it/investor-relations/rating.html

For an explanation of the rating given by S&P please see below the S&P rating scale:

| LONG TERM obligations with an original maturity of more than one year | SHORT TERM obligations with an original maturity of no more than one year |
|--|--|
| Investment grade | Investment grade |
| <p>AAA</p> <p>The obligor's capacity to meet its financial commitment on the obligation is extremely strong.</p> | <p>A-1</p> <p>The obligor's capacity to meet its financial commitment on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitment on these obligations is extremely strong.</p> |
| <p>AA</p> <p>The obligor's capacity to meet its financial commitment on the obligation is very strong. An obligation rated 'AA' differs from the highest-rated obligations only to a small degree.</p> | <p>A-2</p> <p>The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher rating categories. However, the obligor's capacity to meet its financial commitment on the obligation is satisfactory.</p> |
| <p>A</p> <p>The obligation is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.</p> | <p>A-3</p> <p>The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p> |
| <p>BBB</p> <p>The obligation exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.</p> | |

(Source: Standard & Poor's)

| LONG TERM obligations with an original maturity of more than one year | SHORT TERM obligations with an original maturity of less than one year |
|---|---|
| Speculative grade | Speculative grade |
| <p>BB</p> <p>The obligation is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p> | <p>B</p> <p>The obligation is regarded as having significant speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it faces major ongoing uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.</p> |
| <p>B</p> <p>The obligation is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the</p> | <p>B -1</p> <p>The obligation is regarded as having significant speculative characteristics, but the obligor has a relatively stronger capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> |

| | |
|---|--|
| <p>obligation.</p> <p>CCC</p> <p>The obligation is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.</p> <p>CC</p> <p>The obligation is currently highly vulnerable to nonpayment.</p> <p>C</p> <p>A 'C' rating is assigned to obligations that are currently highly vulnerable to nonpayment, obligations that have payment arrearages allowed by the terms of the documents, or obligations of an issuer that is the subject of a bankruptcy petition or similar action which have not experienced a payment default.</p> <p>D</p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period.</p> | <p>B -2</p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has an average speculative-grade capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>B -3</p> <p>The obligation is regarded as having significant speculative characteristics, and the obligor has a relatively weaker capacity to meet its financial commitments over the short-term compared to other speculative-grade obligors.</p> <p>C</p> <p>The obligation is currently vulnerable to nonpayment and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation.</p> <p>D</p> <p>The obligation is in payment default. The 'D' rating category is used when payments on an obligation, including a regulatory capital instrument, are not made on the date due even if the applicable grace period has not expired, unless Standard & Poor's believes that such payments will be made during such grace period</p> |
|---|--|

NB: ratings from "AA" to "CCC" inclusive can be modified by adding the "+" or "-" minus sign to specify the position.

Standard & Poor's Credit Market Services Italy S.r.l. ("**S&P**") is a credit rating agency which is established in the European Community and has been registered in accordance with Regulation (EC) No 1060/2009 (as amended by Regulation 513/2011/EU and by Regulation 462/2013/EU) (the "**CRA**"). As such S&P is included in the latest list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA – see www.esma.europa.eu/page/List-registered-and-certified-CRAs.

As at 12 April 2016 Fitch rated Mediobanca F2 (short-term debt), BBB+ (long-term debt) and stable (outlook)– see www.mediobanca.it/it/investor-relations/rating.html.

For an explanation of the rating given by Fitch please see below the Fitch rating scale:

| LONG TERM Debt securities with duration of over one year | SHORT TERM Debt securities with duration of up to one year |
|--|---|
| Investment grade | Investment grade |
| AAA Exceptionally strong capacity to meet obligations. | F1+ Highest quality, strongest intrinsic capacity for timely payment of financial commitments. |
| AA+ High quality, very low risk but vulnerability to risk over the long term is higher than for the AAA category. | F1 High quality, strong intrinsic capacity for timely payment of financial commitments. |
| AA/AA- Strong capacity to meet obligations. Minimal differences from the higher grade. | F2 Good quality, good intrinsic capacity for timely payment of financial commitments. |
| A+/A/A- Good capacity to meet financial obligations, but more vulnerable to changes in circumstances and economic conditions than bonds with a higher rating. | |
| BBB+/BBB/BBB- Adequate capacity to meet financial obligations, although adverse economic conditions or changes in circumstances may lead to a reduced capacity to meet financial obligations. | |

(Source: Fitch Ratings)

| LONG TERM Debt securities with duration of over one year | SHORT TERM Debt securities with duration of up to one year |
|---|---|
| Speculative grade | Speculative grade |
| BB+/BB/BB- Less vulnerable in the near term than issuers with lower ratings, although uncertain economic, financial or administrative conditions could interfere with the capacity to meet obligations entered into. | F3 Fair quality, adequate intrinsic capacity for timely payment of financial commitments, although unforeseen circumstances could affect the borrower's repayment capabilities. |
| B+/B/B- More vulnerable than issuers rated 'BB', but still able to meet financial commitments. Unforeseen economic and/or financial conditions will likely reduce the issuer's will to meet its commitments. | B Speculative in nature, and the obligor has minimal capacity for timely payment of financial commitments. Vulnerable to near-term adverse changes in financial and economic conditions. |
| CCC+/CCC/CCC- Currently vulnerable, and capacity to meet obligations entered into is reliant upon a sustained favourable business and economic environment and favourable market conditions. | C Default is a real possibility, repayment of bonds issued is closely dependent upon favourable financial and economic conditions. |
| CC | D |

| | |
|---|----------------------------------|
| <p>Currently highly vulnerable, and capacity to meet obligations entered into is reliant upon favourable economic and financial conditions.</p> <p>C</p> <p>Extremely vulnerable, possibly bankrupt or in default on payments which are, however, still being made.</p> <p>D</p> <p>Default/insolvency on all or most obligations entered into.</p> <p>NR</p> <p>Unrated.</p> | <p>The issuer is in default.</p> |
|---|----------------------------------|

Fitch Italia S.p.A. (“**Fitch**”) is a credit rating agency which is established in the European Community and has been registered in accordance with the CRA. As such Fitch is included in the latest list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA – see [www.esma.europa.eu/page/List-registered-and-certified -CRAs](http://www.esma.europa.eu/page/List-registered-and-certified-CRAs).

Business Overview

Principal activities

The Mediobanca Group’s operations are segmented into three banking divisions and one Corporate Center, as follows:

- Corporate & Private Banking (CPB), which combines both wholesale and private banking activities (Compagnie Monégasque de Banque and Banca Esperia);
- Principal Investing (PI), which brings together equity investments (IAS 28) and AFS securities;
- Retail & Consumer banking (RCB), which includes consumer credit (Compass) and retail banking activities (CheBanca!)
- Corporate centre (CC), which brings together the other Group companies (including leasing) and certain centralized Group costs.

In addition, an agreement was entered into by and between the subsidiary CheBanca! and Barclays Bank PLC for the acquisition of a selected range of certain Italian retail activities of Barclays formed by 85 branches, 2.5bn in mortgages, approximately 2.9bn in deposits and 2.9bn in indirect funding, of which 2,0 bilions in asset under management. The acquisition, during the closing which took place on 24 August 2016, will significantly expedite the subsidiary’s development. The incrising role of Mediobanca group in the private customers asset management through CheBanca! is one of the target point of the Business Plan, focused on the allocation of an incrising capital share to banking activities with a low capital absorption and hight output of recurring performance.

Mediobanca has a market capitalization of approx. €5bn.

*Consolidated financial information as at 30/06/16**

| €m | CPB | PI | RCB | CC | Total |
|-------------------------|-------|-------|---------|--------|---------|
| Profit and loss account | | | | | |
| | | | | | |
| Net interest income | 215.3 | - | 932.7 | 53.0 | 1,206.7 |
| Total income | 638.6 | 284.2 | 1,116.9 | 64.1 | 2,046.6 |
| Profit before tax | 199.6 | 377.2 | 272.2 | -109.5 | 736.3 |
| Net profit | 134.0 | 370.2 | 178.0 | -77.0 | 604.5 |

*Source: Mediobanca audited consolidated annual financial statement as at and for the year ended on 30 June 2016

Wholesale Banking

Mediobanca seeks to provide its corporate clients with the advisory services and financial services to help them grow and develop.

The wholesale banking division comprises three different units: *Corporate finance, Lending and Structure Finance, Capital Markets*.

Corporate finance

Mediobanca has an increasingly significant role in financial advisory services at the European level through its branches in Paris, Frankfurt, London, Madrid, Istanbul and Mexico City. A client-based approach is adopted, backed by in depth knowledge of the financial issues and a consolidated track record in executing deals. The operating unit is organized into different industry teams covering individual industries in order to provide greater focus.

Corporate finance involves the following activities:

- defining strategic objectives for companies and identifying extraordinary financing transactions in order to help meet them;
- extraordinary financing transactions: mergers and acquisitions, joint ventures and partnerships, disposals and spinoffs;
- liability restructuring: earnings/financial analysis of companies/groups undergoing restructuring; working out financial rebalancing scenarios; negotiating with key creditors;
- corporate restructuring: LBOs, MBOs, spinoffs and tax-/inheritance-related issues;
- company valuations, on a standalone basis and for purposes of setting exchange ratios;
- relations with authorities: assistance in handling relations with market and regulatory authorities, principally CONSOB and Borsa Italiana.

Lending and structured finance

The Financing teams serve Mediobanca's Italian and international customers, through the branch offices located in Paris, Frankfurt, London, Madrid and Istanbul to offer:

- advice in evaluating possible capital structures and financing solutions available from among a vast series of debt products, including considering possible implications in terms of rating;
- structuring and executing lending transactions;
- access to the international syndicated loans market;
- facility and security agent services for corporate and structured lending transactions.

The main products of the Lending and structured finance team are:

- **corporate lending:** (bilateral loans, club deals and syndicated loans): corporate loans aimed at supporting customers' financial requirements generated by investments or related to their companies' growth; the financial solutions offered are aimed primarily at medium-/large-sized firms operating on domestic and international markets, in industrial and service-based sectors;
- **structured finance:** (acquisition finance, loans for LBO/MBOs, project finance, infrastructure finance, real estate finance): financial support to corporate counterparties and institutional investors as part of leveraged transactions to acquire stakes in listed and unlisted companies; a wide range of lending transactions are developed, arranged, structured, underwritten and executed based on complex structures, and because of their size these are often syndicated on the international market. On the back of its solid track record in various sectors, customers are provided with advisory services covering the entire process of structuring deals to support investment and infrastructure or industrial projects, including offering strategies, selection of the most effective debt instruments, hedging strategies, financial modelling and structuring contracts; and
- **factoring:** (with and without recourse, maturity, and supply credit): sale and discount of trade receivables to help refinance companies' working capital. As well as the financial benefits, factoring can also provide insurance (guarantee against insolvency or delays in payments) and facilitate operations (credit management, accounting, collection and recovery).

Capital Markets

Mediobanca operates on both the primary and secondary markets, trading equities and fixed-income securities, foreign exchange products and credit risk, interest rate and exchange rate derivatives.

In the equity market (primary and secondary), activity is divided into the following areas:

- **equity capital markets:** it is the Italian leader and has a role of increasing importance internationally in structuring, co-ordinating and executing equity capital markets transactions, such as IPOs, rights issues, secondary offerings and ABOs, and bonds convertible into equity solutions (equity derivatives to manage investments and treasury shares): this unit structures and implements extraordinary financing transactions involving equity investments and treasury shares; using a dedicated trading platform, the team offers customers innovative, high value-added solutions, and also handles any legal, accounting, tax and regulatory issues;
- **equity finance (securities lending, equity repos, collateralized financing):** the unit offers tailored securities lending solutions, which range from simple loans to hedge short-/medium-term

positions, to equity repos, to upgrades and collateralized financing;

- **equity derivatives institutional marketing:** a range of equity-linked investments are offered to banks, insurances, asset managers and family offices, from synthetic replications of simple underlying assets to sophisticated protection mechanisms and solutions for increasing the return on portfolios, funded or unfunded;
- **MB Securities:** this is Mediobanca's equity brokerage division, offering global access to equity markets and research on the Italian market (over 100 companies are covered), plus a pan-European focus on the financials sector (banks and insurances); a dedicated team also offers corporate broking services.

In relation to the debt market, the activity is divided into the following areas of operation:

- **debt capital markets:** this team originates, structures, executes and places corporate and financial bond issues, covered bonds and securitizations to meet its customers' financing needs.
- **CRAL solutions:** this area structures solutions based on interest rates, credit and alternative products; it targets corporate clients, banks and institutional investors who need to restructure their investment portfolios, increase asset liquidity and diversify their sources of funding. An activity of advisory and structuring of *ad hoc* solutions on alternative investments focusing on institutional investors.
- **proprietary funding:** this team is responsible for structuring, issuing and placing debt products, the revenues from which finance the Bank's own activities. Fund raising, supported by the Bank's high credit rating, takes place primarily through the issuance of securities, both plain vanilla and structured. Securities are placed with retail investors through public offers (executed using the proprietary networks of CheBanca!, through individual third banks – including that of BancoPosta – either on an exclusive basis or via groups of banks in syndicates) and direct sales are made over the screen-based bond market (MOT) operated by Borsa Italiana. Demand from institutional investors is met via public offers of securities on the Euromarket and private placements of products customized to meet the subscribers' specific needs.

Private banking

The range of services offered to clients by the Mediobanca Group includes private banking, via Banca Esperia, Compagnie Monégasque de Banque, Spafid and Cairn Capital.

- Banca Esperia was set up in July 2001 as a joint venture between the Mediobanca and Mediolanum groups with the aim of becoming the private banker of choice for high net worth clients, offering them portfolio management, advisory and financing services. Independence, operational autonomy, focus on private banking activities, and excellence and quality of service, are the hallmarks of a bank which has approximately €18bn in assets under management at its branches in Bergamo, Bologna, Brescia, Cesena, Florence, Genoa, Milan, Padua, Parma, Rome, Turin and Treviso.
- Compagnie Monégasque de Banque (“CMB”) is 100%-owned by Mediobanca. CMB is market leader in the Principality of Monaco, with total deposits of approx. €8bn. Its geographical position, in-depth knowledge of markets and the absolute discretion make it a player of primary

importance, able to provide exclusive services to its client, ranging from loans to asset management.

- **Spafid**, 100%-owned by Mediobanca, performs trust management of equity investments, trust management of investments in the securities market and fiduciary services for issuers. Assets under management at Spafid are approx. €3bn.
- **Cairn Capital**, whose acquisition of 51% was completed during last December, is an asset management and advisory company based in London, specializing in credit products. Assets under management at Cairn Capital amount to approx. € 2,1bn plus € 5,9bn managed on long term advice basis.

Principal Investing

Mediobanca has an equity portfolio of investments made over time, consisting of minority stakes in leading Italian and international companies, most of which are listed, and which are generally leaders in their respective spheres of activity, with a view to contributing, including through representation on investee companies' governing bodies, to value creation over a medium- and long-term time horizon.

In the 2015/16 financial year, too, and in accordance with the guidelines of the 2014/16 strategic plan, which provided for a significant reduction in the Mediobanca Group's exposure to equities, the Bank has continued its asset disposal programme, selling approx. €1,5bn worth of equity investments, generating gains of some €500m. In particular, during the year the shareholdings in Edipower and Pirelli were sold while it started the reduction in Assicurazioni Generali (3 million shares for a total amount of 59.4 million) interrupted because of unfavorable market. In view of the size of the investments and the role played by Mediobanca in the governance of the companies concerned, the shareholdings in Generali, RCS MediaGroup and Atlantia are assigned to the Principal investing division.

| Company | Sector | % of share capital | Book value at 30/6/16 €m |
|------------------------|--------------------|--------------------|-----------------------------|
| Assicurazioni Generali | Insurance | 13% | 3,092 |
| RCS Mediagroup | Publishing - media | 6.2% | 26 |
| Atlantia | Infrastructure | 2.71% | 500 |

Consumer credit – Compass

Mediobanca has operated in the consumer credit sector since the 1960s through its subsidiary Compass.

Compass today is one of the leading consumer credit operators on the Italian market, with a market share of 10.4%.

Compass offers a wide range of products (personal loans, special purpose loans for acquisition of consumer durable goods, credit cards and salary-backed finance), using a highly diversified distribution network consisting of 164 own branches, distributing agreements with banking partners and retailers, and BancoPosta.

As at the balance-sheet dated 30 June 2016 it had approx. €11.9bn in loans outstanding, plus a total of

1,612 staff on the books.

Retail Banking - CheBanca!

Mediobanca commenced retail banking operations in 2008 via Group company CheBanca!, which has now achieved a distinctive position on the market, with:

- high brand recognition;
- effective, innovative multi-channel distribution (internet, 58 own branches, direct banking);
- simple, transparent products;
- substantial customer base (over 580,000 customers);
- strong commercial results: €10.7bn in deposits, €3bn in assets under management, €5bn in mortgages disbursed.

The company employs a total of 981 staff.

Leasing

Mediobanca owns a direct 60% stake in the SelmaBipiemme Leasing group, with the other 40% held by the Banca Popolare di Milano. The group operates in financial leasing. During the financial year took place the rationalization of the leasing platform through the merger in SelmaBipiemme Leasing of the subsidiaries Palladio Leasing and Teleleasing (after the acquisition of the 20% from the minority shareholder Telecom Italia)

In the twelve months to 30 June 2016 the group disbursed approx. €410m in leases.

As at 30 June 2016, the net value of finance disbursed by the group amounted to some €2.5bn, with a headcount numbering 146 staff employed at the head office and 8 branch offices.

Brief description of the Mediobanca's principal activities, with an indication of the main categories of products sold and/or services provided

As stated in Article 3 of Mediobanca's Articles of Association, Mediobanca's purpose is to raise funds and provide credit in any of the forms permitted, especially medium- and long-term credit to corporates.

Within the limits laid down by current regulations, Mediobanca may execute all banking, financial and intermediation-related operations and services, and carry out any transaction deemed to be instrumental to or otherwise connected with the achievement of Mediobanca's purpose.

There are no significant new products and/or services that have been introduced and no development of new products and services has been disclosed.

Principal markets

The Group's areas of operation are currently segmented into four banking divisions and a corporate centre:

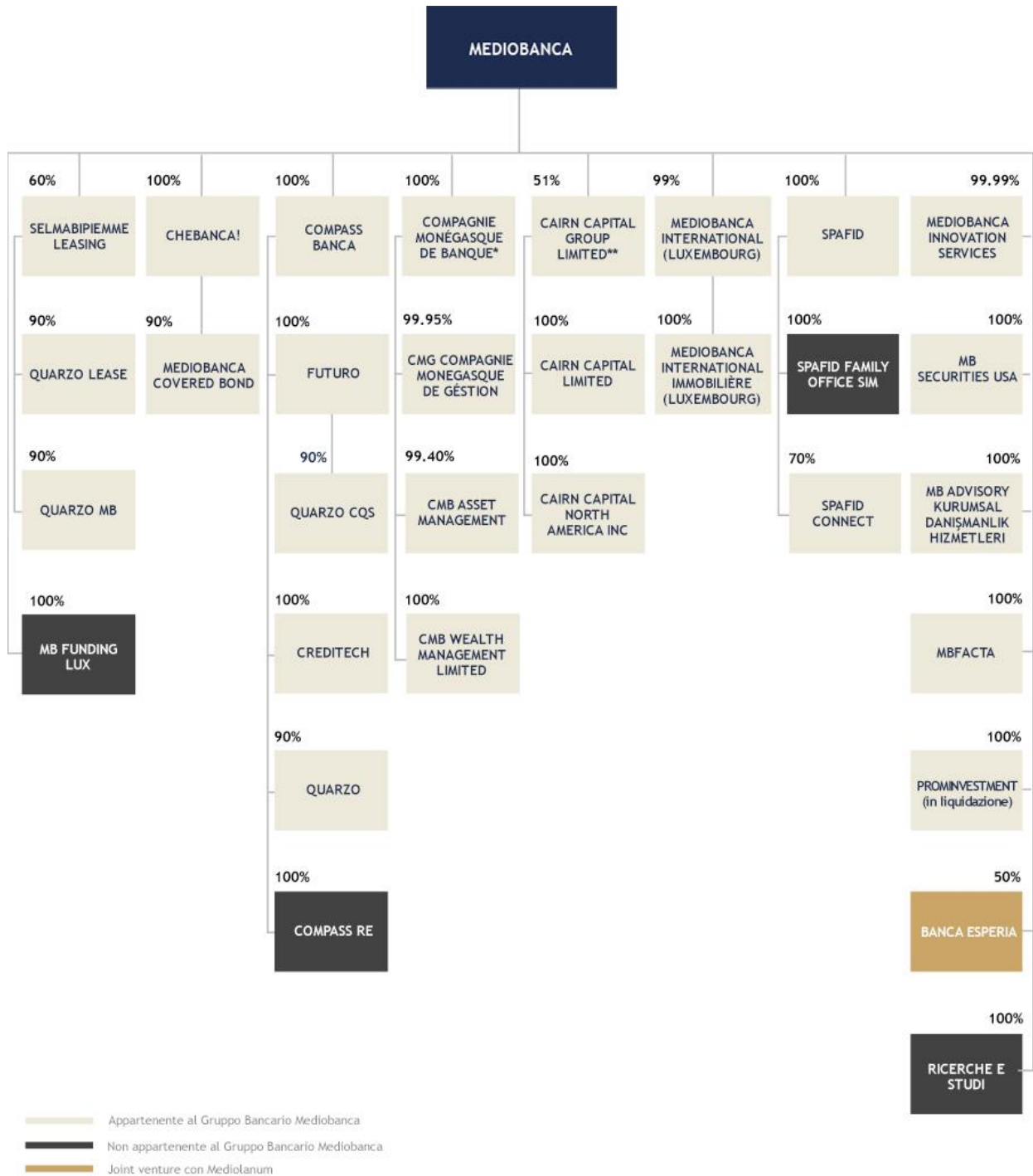
- 1) Corporate & Private Banking (CPB), which brings together private banking and wholesale banking activities: the latter have undergone considerable geographical expansion in their scope with a view to diversifying the Mediobanca's customer base and to meeting our customers' needs more effectively; the Paris branch was opened in 2004, followed by the Frankfurt and Madrid branches in 2007, the London branch in 2008, and Istanbul in 2013. As at end-June 2015, international activities accounted for just under 50% of the wholesale banking division's revenues.
- 2) Principal Investing (PI), which brings together the Group's shareholdings in Assicurazioni Generali, RCS MediaGroup and Atlantia, plus stakes acquired as part of merchant banking activity and investments in private equity funds;
- 3) Retail & Consumer Banking (RCB), consisting of consumer credit activities and CheBanca! (retail banking) ; retail activities are performed entirely on the domestic market;
- 4) Corporate Centre (CC), which comprises the other Group companies, including the leasing firms whose operations are carried out entirely on the domestic market.

Organizational Structure

Description of organizational structure of group headed up by Mediobanca

The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.

The following diagram illustrates the structure of the Mediobanca Group as at the date hereof.



* Compagnie Monégasque de Banque controlla inoltre: S.J.M.E.F. Soc. Monégasque des Etudes Financières (99,96%) appartenente al Gruppo Bancario Mediobanca

** Cairn Capital Group Limited controlla inoltre Cairn Capital Investments Limited (100%), Cairn Investment Managers Limited (100%), Cairn Financial Guaranteed Limited (100%) e Amplus Finance Limited (100%)

Subsidiaries and main investee companies

Mediobanca is parent company of the Mediobanca Banking Group. No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Consolidated Finance Act.

A list of the main Group companies included in the area of consolidation for the financial statements as at 30 September 2016 is shown below:

| Group companies | | | |
|--|------------------------|-------------------|---------|
| COMPASS Banca S.p.A. | Italy | 100% | (dir) |
| CHEBANCA! S.p.A. | Italy | 100% | (dir) |
| SELMABIPIEMME LEASING S.p.A. | Italy | 60% | (indir) |
| Compagnie Monégasque de Banque S.A.M. | Principality of Monaco | 100% | (dir) |
| MEDIOBANCA INTERNATIONAL (Luxembourg) S.A. | Luxembourg | 100% ¹ | (dir) |
| SPAFID S.p.A. | Italy | 100% | (dir) |
| MEDIOBANCA SECURITIES USA LLC | United States | 100% | (dir) |
| SPAFID CONNECT S.p.A. | Italy | 70% | (indir) |
| CREDITTECH S.p.A. | Italy | 100% | (indir) |
| RICERCHE E STUDI S.p.A. | Italy | 100% | (dir) |
| Mediobanca Innovation Services S.c.p.A | Italy | 99.995% | (dir) |
| FUTURO S.p.A. | Italy | 100% | (indir) |
| PROMINVESTMENT S.p.A. in liquidation | Italy | 100% | (dir) |
| MBFATCA S.c.p.a. | Italy | 100% | (dir) |
| QUARZO S.r.l. | Italy | 90% | (indir) |
| QUARZO CQS S.r.l. | Italy | 90% | (indir) |
| MB COVERED BOND S.r.l. | Italy | 90% | (indir) |
| QUARZO LEASE S.r.l. | Italy | 90% | (indir) |
| C.M.B. ASSET MANAGEMENT S.A.M. | Principality of Monaco | 99.40% | (indir) |
| C.M.G. COMP. MONEG. D.G. S.A.M. | Principality of Monaco | 99.95% | (indir) |
| S.M.E.F. SOC. MONEG. DE ET.FIN. S.A.M. | Principality of Monaco | 99.96% | (indir) |
| CMB WEALT MANAGEMENT | United Kingdom | 100% | (indir) |
| QUARZO MB S.r.l. | Italy | 90% | (dir) |
| COMPASS RE S.A. | Luxembourg | 100% | (indir) |
| MB ADVISORY KURUMSAL DANISMANLIK HIZMETLERI A.S. | Turkey | 100% | (dir) |
| MB ADVISORY MEXICO | Mexico | 99% | (dir) |
| MEDIOBANCA INTERNATIONAL IMMOBILIERE S.à r.l. | Luxembourg | 100% | (indir) |
| CAIRN CAPITAL GROUP Ltd | United Kingdom | 51% | (dir) |
| CAIRN CAPITAL Ltd | United kingdom | 51% | (indir) |
| CAIRN CAPITAL NORTH AMERICA Inc. | United States | 51% | (indir) |
| CAIRN FINANCIAL GUARANTEE Ltd | United Kingdom | 51% | (indir) |
| CAIRN CAPITAL INVESTMENTS Lts | United Kingdom | 51% | (indir) |
| CAIRN INVESTMENTS MANAGERS Ltd | United Kingdom | 51% | (indir) |
| AMPLUS FINANCE Ltd | United Kingdom | 51% | (indir) |
| MB FUNDING LUX S.A. | Luxembourg | 100% | (dir) |
| SPAFID FAMILY OFFICE SIM S.p.A. | Italy | 100% | (indir) |

In view of the size of the investment and the role played by the Bank in the companies' governance, as at 30 June 2016 the values reflected by the investments in Assicurazioni Generali were as follows:

1) Of which 1% Compass shares.

| Company | Sector | % of share capital | Book value as at 30/6/15 €m |
|------------------------|-----------|--------------------|--------------------------------|
| Assicurazioni Generali | Insurance | 13% | 3,092 |

Forecasts or estimates of profits

No substantial adverse changes have taken place in Mediobanca's or the Group's prospects since 30 June 2016.

Mediobanca is not aware of any information on trends, uncertainties, requests, commitments or facts known which could reasonably have a significant impact on Mediobanca's prospects for the current financial year.

Bodies Responsible for governance, management and supervision of Mediobanca

The Board of Directors appointed on 28 October 2015 for the 2015, 2016 and 2017 financial years, as at 30 June 2016 consists of eighteen members, eleven of whom qualified as independent under Article 148, paragraph 3 of Italian Financial Services Act, and among them ten also qualify as independent under the Code of Conduct in respect of listed companies. Its composition also reflects the legal requirements in terms of gender balance.

Board of Directors

| Name | Post held | Place and date of birth | Term of office expires | Posts held in other companies |
|------------------------------|----------------------------|-------------------------|------------------------|---|
| Renato Pagliaro * | Chairman ** | Milan, 20/2/57 | 28/10/17 | - |
| Maurizia Angelo Comneno * | Deputy Chair | Rome, 18/6/48 | 28/10/17 | - |
| Marco Tronchetti Provera | Deputy Chair | Milan, 18/1/48 | 28/10/17 | Executive Vice Chairman and Chief Executive Officer, Pirelli & C. Chairman and Chief Executive Officer, Pirelli Tyre Chairman, Gruppo Partecipazioni Industriali Chairman, Coinv Director, Eurostazioni |
| Alberto Nagel* | Chief Executive Officer ** | Milan, 7/6/65 | 28/10/17 | - |
| Francesco Saverio Vinci * | General Manager ** | Milan, 10/11/62 | 28/10/17 | Director, Banca Esperia |
| Tarak Ben Ammar | Director | Tunis, 12/6/49 | 28/10/17 | Chairman, Eagle Pictures Chairman and Chief Executive Officer, Prima TV Chief Executive Officer (CEO), Quinta Communications |

| Name | Post held | Place and date of birth | Term of office expires | Posts held in other companies |
|----------------------|-----------|-----------------------------|------------------------|--|
| | | | | Chief Executive Officer, Carthago Film Services Chief Executive Officer, (CEO) Andromeda Tunisie Director, Telecom Italia Member of Supervisory Committee, Vivendi |
| Gilberto Benetton | Director | Treviso, 19/06/1941 | 28/10/2017 | Chairman, Edizione Chairman, Autogrill Director, Atlantia |
| Mauro Bini | Director | Milan, 20/10/57 | 28/10/17 | - |
| Marie Bolloré | Director | Neully sur Seine, 8/5/88 | 28/10/17 | Director, Bolloré Director, Financière de l'Odé Director, Bolloré Participations Director, Financière V Director, Omnium Bolloré Director, Société Industrielle et Financière de l'Artois Member of Supervisory Committee, Sofibol |
| Maurizio Carfagna | Director | Milan, 13/11/47 | 28/10/17 | Chief Executive Officer, H-Invest Director, Banca Esperia Director, Class Editori Director, Compagnia Immobiliare Azionaria Director, Duemme SGR Director, Futura Invest |
| Angelo Casò * | Director | Milan, 11/8/40 | 28/10/17 | Chairman, Fineldo Director, Tre Laghi Chairman Of Statutory Audit Committee, Edizione Chairman Of Statutory Audit Committee, Bracco Chairman Of Statutory Audit Committee, Bracco Imaging Chairman Of Statutory Audit Committee, Bic Italia Chairman Of Statutory Audit Committee, Falck Statutory Auditor, Italmobiliare Statutory Auditor, Padis Investimenti Statutory Auditor, Sidis Investimenti |
| Maurizio Costa | Director | Pavia, 29/10/48 | 28/10/17 | Chairman, RCS Mediagroup Director, Amplifon |
| Massimiliano Fossati | Director | Gorgonzola (MI), 30/1/68 | 28/10/17 | - |
| Vanessa Labérenne * | Director | Paris 08/1/78 | 28/10/17 | - |
| Alberto Pecci | Director | Pistoia 18/9/43 | 28/10/17 | Chairman, Pecci Filati Chairman, Tosco-Fin |

| Name | Post held | Place and date of birth | Term of office expires | Posts held in other companies |
|------------------------|------------|---------------------------|------------------------|---|
| | | | | Director, El.En. |
| Elisabetta Magistretti | Director | Busto Arsizio, 21/7/47 | 28/10/17 | Director, Luxottica Group Director, Smeg |
| Gian Luca Sichel * | Director | Piacenza, 19/6/68 | 28/10/17 | - |
| Alexandra Young * | Director** | Barnstaple, 14/2/68 | 28/10/17 | - |

* *Member of Executive Committee.*

*** *Member of Mediobanca senior management*

All Board members are in possession of the requisites to hold such office set by the regulations in force at the time.

The address for all members of the Board of Directors for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Statutory Audit Committee

Composition of Statutory Audit Committee:

| Post | Name | Place and date of birth | Term expires | Principal outside activities |
|-------------------|--------------------|----------------------------|--------------|--|
| Chairman | Natale Freddi | Rho, 6/6/52 | 28/10/17 | - |
| Standing auditor | Gabriele Villa | Milan, 18/6/64 | 28/10/17 | Standing Auditor, Salini-Impregilo Director, Space2 |
| Standing auditor | Laura Gualtieri | Reggio Emilia, 18/10/68 | 28/10/17 | Standing Auditor, Prysmian |
| Alternate auditor | Alessandro Trotter | Vimercate, 9/6/40 | 28/10/17 | - |
| Alternate auditor | Barbara Negri | Alessandria, 13/6/73 | 28/10/17 | - |

All Statutory Audit Committee members are in possession of the requisites to hold such office set by the regulations in force at the time, and are all registered as auditors in the list instituted by the Italian Ministry for the Economy and Finances.

The address for all members of the Statutory Audit Committee for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

General Manager and senior management

Renato Pagliaro Chairman, Alberto Nagel Chief Executive Officer, Francesco Saverio Vinci General Manager, Alexandra Young, Executive Directors of Mediobanca and Massimo Bertolini, Head of Company Financial Reporting.

The address for the General Manager and the senior management for the duties they discharge is: Piazzetta E. Cuccia 1, Milan, Italy.

Conflicts of interest among bodies responsible for governance, management and supervision

A ban was instituted pursuant Article 36 of Italian Decree Law 201/11, as converted into Italian Law 214/11, on representatives of banks, insurers and financial companies from holding positions in

companies which operate in the same sectors. Each year the Board of Directors assesses the positions of the individual directors, which may have changed as a result of changes in the activities or size of the other companies in which they hold posts. To this end, each director, in order to also avoid potential conflicts of interest, shall inform the Board of any changes in the positions assumed by them in the course of their term of office.

Mediobanca also adopts the procedure recommended under Article 136 of the Italian Consolidated Banking Act for approval of transactions involving individuals who perform duties of management and control in other companies controlled by such parties.

Transactions with “related parties” are described in part H of the financial statements for the twelve months ended 30 June 2016.

Share capital

Amount of share capital issued

As at 30 June 2016, Mediobanca’s share capital, fully subscribed and paid up, totalled € 435,510,047 made up of 871,020,094 par value €0.50 shares.

Main Shareholders

Information on ownership structure

Individuals or entities who based on the shareholders’ register and available information as at 30 June 2016 own directly or indirectly financial instruments representing share capital with voting rights in excess of 2% of the company’s share capital, directly or indirectly, are listed below:

| | Shareholder | % of share capitale |
|---|------------------|---------------------|
| 1 | UniCredit group. | 8.56 |
| 2 | Bolloré group | 8.00 |
| 3 | Mediolanum group | 3.43 |
| 4 | Benetton group | 2.14 |
| 5 | Fininvest group | 1.00 |

Mediobanca shareholders representing, as at 30 June 2016, 31% of the Bank’s share capital entered into a shareholders’ agreement in respect of Mediobanca’s share capital expiring on 31 December 2016.

The Agreement, which is filed with the Milan companies’ register, is a block shareholders’ agreement aimed at preserving a stable shareholder base combined with representative governing bodies to ensure consistent management objectives. In order to achieve these objectives, these shareholders, divided into three groups, concur in seeing the traditional system of corporate governance which leverages on the management and provides greater clarity in the roles of the various governing bodies within the company, as fundamental to safeguarding the characteristics, function and traditional independence of Mediobanca and to ensuring that consistent management objectives are pursued.

An excerpt from the Agreement may be found on the Issuer’s website at www.mediobanca.it.

Agreements the performance of which may result in a change of control subsequent to the date hereof

Mediobanca is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca.

Auditors of the Financial Statements

External auditors and auditors responsible for auditing the financial statements

At a Board meeting held on 21 September 2016, the Directors of Mediobanca approved the Group's consolidated financial statements as at 30 June 2016 (the results themselves were approved on 4 August 2016). The statutory financial statement for the year is scheduled to be adopted by shareholders at a general meeting that will be held on 28 October 2016.

PricewaterhouseCoopers S.p.A. a company with its registered offices in via Monte Rosa 91, Milan, Italy, has audited the individual and consolidated financial statements of Mediobanca as at 30 June 2016 and as at 30 June 2015. PricewaterhouseCoopers S.p.A is registered under No. 119644 in the Register of Accounting Auditors (*Registro dei Revisori Contabili*).

External supervisory bodies other than the external auditors

There are no external supervisory bodies other than the external auditors.

Information regarding resignations, dismissals or failures to renew the appointment of the external auditors or the auditors responsible for auditing the financial statements

No resignations, dismissals or failures to renew the appointment of the external auditors have occurred during the period under review.

Legal and arbitration proceedings

As at the date of the Base Prospectus, none of Mediobanca and its consolidated subsidiaries is or has been involved in any governmental, legal or arbitration proceedings relating to claims or amounts of money which may have, or have had in the recent past, significant effects on the Group's financial position or profitability, and as far as Mediobanca is aware, no such governmental, legal or arbitration proceedings has either been announced or is pending. A description of the main tax disputes and litigation pending is provided below, purely for information purposes:

Tax disputes

With reference to the disputes outstanding with the Italian revenue authorities, the Mediobanca Group had litigations pending, in respect of higher tax worth a notified amount of €35.6m, plus interest and fines, all involving disputes with the Italian tax revenue authority. Almost all of them involve leasing: fourteen claims in respect of allegedly non-existent leasing transactions, involving higher tax worth a notified amount of €35.3m (€31.4m by way of VAT and €3.8m IRES/IRAP); €24.1m of this amount involves leases on yachts, while the remainder involves real estate and brands.

The companies concerned have appealed against all the above rulings in the conviction that their actions were correct. For this reason no amounts have been set aside to the provision for risks and charges, including in view of how the legal process is progressing.

The following events should also be noted:

- settlement of a dispute with the Italian revenue authorities with regard to income produced Group company Compass RE (Luxembourg) in the financial years from 2009/10 to 2013/14; a total of €24.2m has been paid, €5.6m by way of fines and interest;
- settlement of a dispute with the Italian revenue authorities with regard to an intragroup transaction between Compass and Cofactor (now Creditech), entailing additional tax of €1.3m.

Mediobanca believes that the provisions are adequate to cover any charges due in connection with all the cases that have been brought against the Bank itself and the other Group companies (for which no other significant litigation is pending) and any other contingent liabilities, of which, as permitted by IAS 37, paragraph 92, no precise indication has been given.

Litigation pending

The most significant litigation pending against Mediobanca is as follows:

- five cases still pending in connection with the Bank's alleged failure to launch a full takeover bid for La Fondiaria in 2002, initiated against Mediobanca and UnipolSai only in all cases, with the total damages being claimed jointly from the defendants (known as the *petitum* in Italian law) amounting to €42m (plus interest and expenses), of which Mediobanca's, as agreed with UnipolSai, would be approx. €14m (again plus interest and expenses); of which:
 - four claims, in which the court of appeals has ruled in favour of Mediobanca, have been referred by the court of cassation to the court of appeals in Milan to establish the damages incurred by the shareholders;
 - one claim is pending at the court of cassation after the court of appeals in Milan partly amended the first-degree ruling by reducing the amount of the damages due to the plaintiff.
- claim for damages by Monte dei Paschi di Siena (“**FMPS**”) against – *inter alia* – Mediobanca, for participation with criminal intent by virtue of an alleged non-contractual liability, jointly with the other twelve lender banks, for alleged damages to FMPS in connection with the execution of the Term Facility Agreement on 4 June 2011 and the consequent breach of FMPS's Articles of Association (20% limit on debt/equity ratio) in a total amount of €286m. The court of Siena, following a petition submitted the Italian ministry for the economy and finance at the request of FMPS, has ruled that the court of Florence may have jurisdiction in this case which accordingly has returned to it.

The following developments have taken place during the twelve months under review:

- one case in connection with the La Fondiaria takeover bid (2012) was settled out-of-court (along with the other nine which had been settled in previous financial years, plus another which has been statute-barred);
- in the dispute between Centrobanca (now UbiBanca) and Mediobanca, cited by Centrobanca in connection with the Burani group bankruptcies, the ruling has been dismissed as a result of the action being discontinued as lodged at a hearing held 28 June 2016; this follows the end to the dispute between the assignee Roger 13 S.r.l., which took over in the Burani bankruptcy proceedings under the terms of the composition procedure with creditors as ratified by the court of Milan and Centrobanca.

Significant changes in the Issuer's financial position

There have been no significant changes to financial or commercial position of Mediobanca, Mediobanca International or the other companies forming part of the Group since the most recent financial information available was disclosed in the consolidated financial statements as at 30 June 2016.

Material Agreements

Neither Mediobanca nor any of the companies controlled by Mediobanca has entered into or participates in agreements outside of their normal course of business which could result an obligation or entitlement for Group members that would impact significantly on the Issuer's ability to meet its obligations in respect of the holders of financial instruments issued or to be issued.

“FINANCIAL INFORMATION ON MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.” SECTION

The following section “Financial Information on Mediobanca – Banca di Credito Finanziario S.p.A.” shall replace the section “Financial Information on Mediobanca – Banca di Credito Finanziario S.p.A.” on page 367 of the Base Prospectus:

FINANCIAL INFORMATION OF MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.P.A.

The consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2016 and 2015 were prepared in accordance with IFRS as adopted by the European Union.

All of the above consolidated annual financial statements, prepared in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See “Documents Incorporated by Reference”.

The annual consolidated financial statements as at 30 June 2016 and as at 30 June 2015 have been audited by PricewaterhouseCoopers S.p.A., whose reports thereon are attached to such annual financial statements.

“INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.” SECTION

The following section “Information on Mediobanca International (Luxembourg) S.A.” shall replace the section “Information on Mediobanca International (Luxembourg) S.A.” on pages 368-373 of the Base Prospectus:

INFORMATION ON MEDIOBANCA (LUXEMBOURG) S.A.

General Information

Name: Mediobanca International (Luxembourg) S.A. (“**Mediobanca**”)

International”).

| | |
|---|---|
| Date of Incorporation: | Mediobanca International was incorporated in 1990 and its registered office was transferred to Luxembourg by a resolution of the Shareholders before a notary on December 21, 2005 and the articles of incorporation were published in the <i>Memorial Recueil des Sociétés et Associations</i> number 567 on 17 March 2006. The articles of association have been amended on 5 October 2007 and have been published in the <i>Memorial Recueil des Sociétés et Associations</i> number 2995 on 24 December 2007. |
| Legislation: | Mediobanca International operates under Luxembourg law. |
| Registered Office and Telephone Number: | 4, Boulevard Joseph II, L-1840 Luxembourg, Tel. no.: (00352) 267303-1. |
| Registration: | Registre de Commerce et des Sociétés Luxembourg number B 112885. |
| Financial Year: | Mediobanca International's financial year ends on 30th June of each year. |
| General Meetings: | General Meetings are held at least once a year. |

Share Information

| | |
|--------------------------------|---|
| Authorised and Issued Capital: | EUR 10,000,000 divided into 1,000,000 ordinary shares of EUR 10.00 each. |
| Reserves: | EUR 278,724,857 as at 30 June 2016. |
| Controlling Shareholders: | Mediobanca - Banca di Credito Finanziario S.p.A. |
| Change of control: | Mediobanca International is not aware of any agreements aimed at bringing about future changes regarding the ownership structure of Mediobanca International. |

Management

| | |
|---------------------|---|
| Board of Directors: | The Articles of Association provide for a Board of Directors consisting of at least three members elected by the general meeting of shareholders for a term of office not to exceed six years. |
| Directors: | The Board of Directors is responsible for setting authorisation levels, defining organisational structure, defining the system of internal control and reviewing it on a regular basis, and approving the bank's accounts and interim statements. The Board of Directors consists of the following eight Directors: |

| <i>Director</i> | <i>Place and date of birth</i> | <i>Principal activities performed by the Directors outside Mediobanca International</i> |
|-----------------------------|--------------------------------------|---|
| Massimo Di Carlo | Rovereto on 25 June 1963 | Director |
| Stefano Biondi | Rome on 6 April 1977 | Managing Director & CEO |
| <i>(authorised manager)</i> | | |
| Peter Gerrard | New York on 21 October 1947 | Chairman |
| Massimo Bertolini | Gorizia on 18 July 1965 | Director |
| Livio Winteler | London on 11 September 1963 | Director |
| Luca Tiziano Maccari | Milan on 14 March 1971 | Director |
| Stéphane Bosi | Monticelli d'Ongina on 27 April 1953 | Director |
| Alex Schmitt | Luxembourg on 24 March 1953 | Director |

The business address of each of the directors is 4, Boulevard Joseph II, L-1840 Luxembourg, with the exception of Massimo Di Carlo whose business address is 1 Piazzetta E. Cuccia, 20121 Milan and Alex Schmitt whose business address is 22-24 Rives de Clausen, L-2165 Luxembourg.

There are no significant conflicts of interests in relation to the update of the Programme between any of the Directors' duties to Mediobanca International and their private interests or other duties.

Authorised managers:

Day-to-day management is entrusted to two authorising managers: Stefano Biondi (Managing Director and CEO) and Edoardo Reitano (CFO).

Approved independent auditors: PricewaterhouseCoopers Luxembourg, a *société coopérative* incorporated under the laws of Luxembourg, with its registered office at 2, rue Gerhard Mercator, B.P. 1443, L-1014 Luxembourg, and registered with the Luxembourg Trade and Companies Register under number B.65477 ("**PwC Luxembourg**"), was designated, during the Board of Directors held on 11 September 2012, Mediobanca International's independent auditor (*réviseur d'entreprises agréé*).

PwC Luxembourg, has audited the non-consolidated financial statements of Mediobanca International as at and for the two years ended 30 June 2015 and 30 June 2016 [and will audit the non-consolidated financial statements of Mediobanca International as at and for the year ending 30 June 2017].

PwC Luxembourg, is registered as a corporate body with the public register of company auditors drawn up by the Luxembourg Ministry of Justice and is a member of the Institute of Independent Auditors (*l'Institut des Réviseurs d'Enterprises*) and is approved by the Commission de Surveillance du Secteur Financier ("**CSSF**") in the context of the law dated 18 December 2009 relating to the audit profession, as amended.

Corporate governance: Mediobanca International is not subject to any compulsory corporate governance code of conduct or representative statutory legal provisions. The Luxembourg law dated 10 August 1915 on commercial companies, as amended, does not make the application of a corporate governance code mandatory to Mediobanca International. The Ten Principles of Corporate Governance of the Luxembourg Stock Exchange do not apply because the shares of Mediobanca International are not listed on a regulated market operated by the Luxembourg Stock Exchange.

Object and General Business Policy

Business Operations: Article 3 of Mediobanca International's Article of Association provides, among other things, that the sole object of Mediobanca International is to carry out, either within or outside the Grand Duchy of Luxembourg, any banking or financial operations authorised by the law relating to the financial sector.

Mediobanca International's principal activity consists of raising funds on international markets, by issues of bonds chiefly under a short and medium term notes programme guaranteed by Mediobanca. Mediobanca International is also engaged in corporate lending operations.

Risk Management: All interest rate, currency, credit and other risks are managed within the Mediobanca Group.

Tax Treatment: See “Taxation - (B) Tax Regime for Mediobanca International issues - Luxembourg”.

Main financial information of Mediobanca International

Selected annual financial information. The summary audited balance sheet, profit and loss account and cash flow statement of Mediobanca International as at 30 June 2016 are shown below, along with comparative data for the year ended 30 June 2015.

| MAIN CONSOLIDATED BALANCE SHEET ITEMS | 30/6/16 | 30/6/15 | CHANGES 2016/2015 % |
|---|----------------|----------------|---------------------|
| | €m | €m | |
| Assets | | | |
| Loans and advances to credit institutions | 1,801.7 | 1,271.1 | 41.7% |
| Loans and advances to customers | 3,404.3 | 2,365.8 | 43.9% |
| Financial assets* | 1,061.4 | 1,079.1 | -1.6% |
| Total Assets | 6,281.9 | 4,993.2 | 25.8% |
| Liabilities | | | |
| Debt securities in issue | 2,200.4 | 1,412.0 | 55.8% |
| Financial liabilities** | 2,893.9 | 2,297.8 | 27.7% |
| Amounts due to customers | 868.7 | 988.2 | -12.1% |
| Net equity | 288.7 | 264.8 | 9.0% |
| of which: share capital | 10.0 | 10.0 | 0.0% |
| Profit for the period | 19 | 23.9 | -20.5% |
| Total Liabilities | 6,281.9 | 4,993.2 | 25.8% |

* Includes Financial Assets held for trading, Financial Assets held to maturity and Hedging derivatives.

** Includes Amounts due to credit institutions, Trading liabilities and Hedging derivatives.

| MAIN CONSOLIDATED PROFIT AND LOSS ACCOUNT ITEMS | 30/6/16 | 30/6/15 | CHANGES 2016/2015 % |
|---|-------------|-------------|---------------------|
| | €m | €m | |
| Net interest income | 30.3 | 27.6 | 9.8% |
| Net fee and commission income | 0.8 | 8.2 | -90.0% |
| Total income | 33.7 | 35.0 | -3.7% |
| Net income from banking activities | 34.7 | 35.9 | -3.3% |
| Administrative expenses | -7.7 | -6.1 | 26.2% |
| Profit before Tax | 26.9 | 29.7 | -9.4% |
| Profit for the year | 19 | 23.9 | -20.5% |

| CASH FLOW STATEMENT | Year ended 30 June | |
|--|------------------------|----------|
| | 2016 | 2015 |
| | (<i>€ thousands</i>) | |
| CASH FLOW FROM OPERATING ACTIVITIES | | |
| Operating activities | 11,214 | -1,306 |
| Cash generated/(absorbed) by financial assets | -1,117,162 | 258,200 |
| Cash (generated)/absorbed by financial liabilities | 919,212 | -291,750 |
| Net cash flow (outflow) from operating activities | -186,736 | -34,856 |
| CASH FLOW FROM INVESTMENT ACTIVITIES | | |
| Net cash flow (outflow) from investment activities | 194,989 | 34,984 |

| | | |
|---|--------------|------------|
| FUNDING ACTIVITIES | | |
| Net cash flow (outflow) from funding activities | - | - |
| NET CASH FLOW (OUTFLOW) DURING YEAR/PERIOD | 8,253 | 128 |

“FINANCIAL INFORMATION ON MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.” SECTION

The following section “Financial Information on Mediobanca Luxembourg S.A.” shall replace the section “Information on Mediobanca Luxembourg S.A.” on page 374 of the Base Prospectus:

FINANCIAL INFORMATION OF MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.

Mediobanca International only produces non-consolidated financial statements.

The audited non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2016 and 2015, in each case together with the notes thereto, are incorporated by reference in this Base Prospectus. See “Documents Incorporated by Reference”.

The annual non-consolidated financial statements of Mediobanca International as at and for the years ended 30 June 2016 and 2015 have been prepared in accordance with IFRS as adopted by the European Union.

The annual non-consolidated financial statements as at 30 June 2016 and as at 30 June 2015 have been audited by PricewaterhouseCoopers, Société cooperative, whose reports thereon are attached to such annual non-consolidated financial statements.

“GENERAL INFORMATION”

The following section “General Information” shall replace the section “General Information” on pages 453-456 of the Base Prospectus:

GENERAL INFORMATION

(1) Listing and Admission to Trading

The Central Bank of Ireland has approved this Base Prospectus as a base prospectus. Application has also been made to the Irish Stock Exchange for Securities issued under the Programme to be listed on the Official List and admitted to trading on the regulated market of the Irish Stock Exchange. The Irish Stock Exchange's regulated market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2004/39/EC).

However, Securities may be issued pursuant to the Programme which will not be listed or admitted to trading on the Irish Stock Exchange or any other stock exchange or market or which will be listed or admitted to trading on such stock exchange or market as the Issuers and the relevant Dealer(s) may agree.

The Central Bank of Ireland may, at the request of the relevant Issuer, send to the competent authority of another European Economic Area member state: (i) a copy of this Base

Prospectus; (ii) an Attestation Certificate; and (iii) if so required by such competent authority, a translation of the section of this Base Prospectus headed "*Summary of the Programme*".

Each Issuer and the Guarantor has obtained all necessary consents, approvals and authorisations in Ireland and the Republic of Italy in connection with the establishment and update of the Programme and the issue and performance of the Securities and the guarantee relating to them. The establishment of the Programme, including the giving of the Guarantee, was authorised by a resolution adopted by the Executive Committee of Mediobanca passed on 19 February 2014 and the decision (*determina*) assumed by the General Manager (*Direttore Generale*) of Mediobanca on 4 December 2015, and a circular resolution of the Board of Directors of Mediobanca International passed on 4 December 2015.

- (2) The price and amount of Securities to be issued under the Programme will be determined by the relevant Issuer and the relevant Dealer at the time of issue in accordance with prevailing market conditions.
- (3) Save as disclosed in this Base Prospectus at page 364 (*Legal and arbitration proceedings*), Mediobanca International (where Mediobanca International is the relevant Issuer) is not and none of Mediobanca and its consolidated subsidiaries (where Mediobanca is the relevant Issuer or the Guarantor) is or has been involved in any governmental, legal, arbitration or administrative proceedings in the 12 months preceding the date of this document relating to claims or amounts which may have, or have had in the recent past, a significant effect on the Mediobanca Group's financial position or profitability and, so far as Mediobanca or, as the case may be, Mediobanca International is aware, no such litigation, arbitration or administrative proceedings are pending or threatened.
- (4) Neither Mediobanca nor Mediobanca International nor any of Mediobanca's subsidiaries has entered into any contracts in the last two years outside the ordinary course of business that have been or may reasonably be expected to be material to such Issuer's ability to meet its obligations to Securityholders.
- (5) In the case of Mediobanca since 30 June 2016 (being the last day of the financial period in respect of which the most recent audited annual financial statements of Mediobanca have been prepared) there has been no material adverse change in the prospects of Mediobanca or its subsidiaries.
- (6) In the case of Mediobanca International since 30 June 2016 (being the last day of the financial period in respect of which the most recent and available audited financial statements of Mediobanca International have been prepared) there has been no material adverse change in the prospects of Mediobanca International.
- (7) For so long as the Programme remains in effect or any Securities remain outstanding, the following documents will be available in electronic form (unless the investor requests physical copies), and in the case of paragraphs (vii), (viii), (ix), (x) and (xi) below, may be obtained free of charge during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the office of the Fiscal Agent and the Paying Agent:
 - (i) the Issue and Paying Agency Agreement;

- (ii) the Dealer Agreement;
 - (iii) the Deeds of Covenant;
 - (iv) the Deed of Guarantee;
 - (v) the Programme Manual (being a manual signed for the purposes of identification by the Issuers and the Fiscal Agent, containing suggested forms and operating procedures for the Programme, including the forms of the Securities in global and definitive form);
 - (vi) the By-laws (*Statuto*) of Mediobanca and articles of incorporation of Mediobanca International;
 - (vii) the published annual financial statements of Mediobanca International as at and for the years ended 30 June 2016 and 2015;
 - (viii) the consolidated annual financial statements of Mediobanca as at and for the years ended 30 June 2016 and 2015;
 - (ix) Final Terms for Securities which are listed on the Irish Stock Exchange or any other stock exchange or market;
 - (x) a copy of this Base Prospectus together with any Supplement to this Base Prospectus or further Base Prospectus.
- (8) Physical copies of the latest annual consolidated financial statements of Mediobanca and annual financial statements of Mediobanca International may be obtained upon request at the specified office of the Paying Agent during normal business hours, so long as any of the Securities is outstanding.
- (9) The Issuers do not intend to provide any post-issuance information in relation to any assets underlying issues of Securities constituting derivative securities, except if required by any applicable laws and regulations.
- (10) The Securities have been accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Securities allocated by Euroclear and Clearstream, Luxembourg will be specified in the applicable Final Terms. If the Securities are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.
- (11) The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels and the address of Clearstream, Luxembourg is Clearstream Banking, 42 Avenue JF Kennedy, L-1855 Luxembourg. The address of Monte Titoli S.p.A. is Piazza degli Affari 6, 20123 Milan, Italy.
- (12) Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, Mediobanca and their affiliates in the ordinary course of business. In addition, in the

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

- (13) With respect to Article 3 (2) of the Prospectus Directive the Issuers consent, to the extent and under the conditions, if any, indicated in the Final Terms, to the use of the Base Prospectus as long as the Base Prospectus is valid in accordance with Article 9 of the Prospectus Directive and accepts responsibility for the content of the Base Prospectus also with respect to subsequent resale or final placement of the Securities by any Dealer and/or financial intermediary which was given consent to use the prospectus.

Such consent may be given to all (general consent) or only one or more (individual consent) specified Dealers and/or financial intermediaries and/or for a limited or indefinite period, as stated in the Final Terms, and for Italy, Ireland and/or Luxembourg as member states in which the Base Prospectus has been passported and which will be indicated in the relevant Final Terms.

Such consent by the Issuers is subject to each Dealer and/or financial intermediary complying with the terms and conditions described in this Base Prospectus and the relevant Final Terms as well as any applicable selling restrictions. The distribution of this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms as well as the offering, sale and delivery of the Securities in certain jurisdictions may be restricted by law.

Each Dealer and/or each financial intermediary, if any, and/or each person into whose possession this Base Prospectus, any supplement to this Base Prospectus, if any, and the relevant Final Terms come are required to inform themselves about and observe any such restrictions. The Issuers reserve the right to withdraw its consent to the use of this Base Prospectus in relation to certain Dealers and/or each financial intermediary.

In case of an offer being made by a Dealer or a financial intermediary, such Dealer or financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

If the Final Terms state that the consent to use the Base Prospectus is given to all Dealers or financial intermediaries (general consent), any Dealer or financial intermediary using the Base Prospectus is required to state on its website that it uses the Base Prospectus in accordance with the consent and the conditions attached thereto.

If the Final Terms state that the consent to use the prospectus is given to one or more specified Dealers or financial intermediaries (individual consent), any new information with respect to Dealers or financial intermediaries unknown at the time of the approval of the Base Prospectus or the filing of the Final Terms will be published on the website www.mediobanca.it.