



MEDIOBANCA

Final Terms

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

**Issue of up to Euro 60,000,000
Tasso Misto Cap & Floor Dicembre 2021
(the "Notes")**

under the

**Euro 40,000,000,000
Euro Medium Term Note Programme**

Series no: 506

Tranche no: 1

Issue Price: 100.00 per cent.

The date of these Final Terms is 19 November 2014



MEDIOBANCA

This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 27 January 2014 and the supplement to the Base Prospectus dated 31 October 2014 which together constitute a base prospectus for the purposes of the Prospectus Directive (Directive 2003/71/EC) (as amended). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus as supplemented from time to time. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus and the Supplement to the Base Prospectus are available for viewing at the registered office of the Issuer at Piazzetta Cuccia 1, 20121, Milan, Italy and on the Issuer's website www.mediobanca.com and copies may be obtained from the Issuer upon express request from the investors.

A summary of the individual issue is annexed to these Final Terms.



Parte A - General

1. (i) Series Number: 506
(ii) Tranche Number: 1
2. Specified Currency or Currencies: Euro (“EUR”)
3. Aggregate Nominal Amount of Notes admitted to trading:
 - (i) Series: Up to EUR 60,000,000 (to be issued in one or more tranches)
 - (ii) Tranche: Up to EUR 60,000,000

The Aggregate Nominal Amount will not exceed EUR 60,000,000 and will be determined at the end of the Offer Period (as defined in paragraph 10 of Part B below), provided that, during the Offer Period, the Issuer, subject to the previous agreement of MPSCS, will be entitled to increase the Aggregate Nominal Amount as more fully described under paragraph 10 of Part B below
4. Issue Price: 100.00 per cent. of the Aggregate Nominal Amount
5. (i) Specified Denominations: EUR 1,000. No Notes in definitive form will be issued with a denomination above EUR 1,000.
(ii) Calculation Amount: EUR 1,000
6. (i) Issue Date: 23 December 2014
(ii) Interest Commencement Date: Issue Date
7. Maturity Date: 23 December 2021, adjusted in accordance with the Following Business Day Convention, unadjusted
8. Interest Basis: 1.20 per cent. per annum for the period commencing on and including the Interest Commencement Date and ending on but excluding the Interest Rate Switch Date (the “**Fixed Rate Interest Period**”).

3 months EURIBOR + 0.10 per cent per annum Floating Rate, subject to a Minimum Interest Rate and a Maximum Interest Rate for the period from and including the Interest Rate Switch Date to but excluding the Maturity Date, (the “**Floating Rate Interest Period**”);



For further details please see paragraphs 16 (*Fixed Rate Note Provisions*) and 17 (*Floating Rate Note Provisions*) below.

9. Redemption/Payment Basis: Redemption at par
10. Change of Interest: Applicable - Condition 3(l) (*Interest Rate Switch Date*) shall apply
- Interest Rate Swich Date: 23 December 2015
- The Notes bear interest at:
- (i) a fixed rate equal to 1.20 per cent per annum for the Fixed Rate Interest Period; and
 - (ii) a floating rate equal to 3 months EURIBOR + 0.10 per cent per annum subject to a Minimum Interest Rate and a Maximum Interest Rate for the Floating Rate Interest Period.
11. Put/Call Options: Not Applicable
12. Status of the Notes: Senior
13. Method of distribution: Non-Syndicated
14. Taxation: Gross up is not applicable pursuant to paragraph (viii) of Condition 6 (a) (*Taxation - Gross Up*) of the Terms and Conditions of the Notes
15. Governing Law: English law applicable

Provisions relating to interest (if any) payable

16. **Fixed Rate Note Provisions** Applicable in respect of the Fixed Rate Interest Period
- (i) Interest Rate(s): 1.20 per cent per annum payable quarterly in arrear
 - (ii) Interest Payment Date(s): 23 March 2015, 23 June 2015, 23 September 2015 and 23 December 2015, adjusted in accordance with the Business Day Convention
 - (iii) Interest Accrual Dates(s): The Interest Accrual Dates shall be the Interest Payment Dates provided that, in accordance with the Business Day Convention, no adjustment shall apply (unadjusted).
 - (iv) Fixed Coupon Amounts: Eur 3.00 per Calculation Amount payable on each Interest Payment Date, rounded in accordance with Condition 3(g)



(v) Broken Amount(s):	Not Applicable
(vi) Business Day Convention:	Following Business Day Convention, unadjusted
(vii) Day Count Fraction:	ACT/ACT (ICMA)
17. Floating Rate Note Provisions	Applicable in respect of the Floating Rate Interest Period
(i) Interest Payment Date(s):	23 March, 23 June, 23 September and 23 December of each year, starting from and including 23 March 2016 up to and including the Maturity Date, as adjusted in accordance with the Business Day Convention
(ii) First Interest Payment Date(s):	23 March 2016
(iii) Interest Accrual Date(s):	The Interest Accrual Dates shall be the Interest Payment Dates provided that, in accordance with the Business Day Convention, no adjustment shall apply (unadjusted)
(iv) Business Day Convention:	Following Business Day Convention, unadjusted
(v) Additional Business Centre(s):	Not Applicable
(vi) Manner in which the Rate(s) of Interest is/are to be determined:	ISDA Determination
(vii) Party responsible for calculating the Rate(s) of Interest and Interest Amount(s) (if not the Fiscal Agent):	Mediobanca - Banca di Credito Finanziario S.p.A. will be the Calculation Agent
(viii) Screen Rate Determination	Not Applicable
(ix) ISDA Determination	Applicable
◆ Floating Rate Option:	EUR - EURIBOR - Reuters EUR - EURIBOR - Reuters means that the rate for that Reset Date will be the rate for deposits in Euros for a period of the Designated Maturity which appears on the Reuters Screen EURIBOR01 Page as of 11:00 a.m., Brussels time, on the day that is two TARGET Settlement Days preceding that Reset Date
◆ Designated Maturity:	3 months
◆ Reset Date:	The first Target Settlement Day of each Interest Period during the Floating Rate Interest Period
(x) Margin(s):	+0.10 per cent per annum
(xi) Minimum Rate of Interest:	0.75 per cent per annum
(xii) Maximum Rate of Interest:	2.65 per cent per annum
(xiii) Day Count Fraction:	ACT/ACT (ICMA)
(xiv) Interest calculation method for short or	Not Applicable



long Interest Periods:

18. **Zero Coupon Note Provisions** Not Applicable

Provisions relating to redemption

19. **Call Option** Not Applicable

20. **Regulatory Call / Redemption for taxation reasons**

(i) **Regulatory Call:** Not Applicable

(ii) **Redemption for taxation reasons:** Not Applicable

21. **Put Option** Not Applicable

22. **Final Redemption Amount of each Note** EUR 1,000 per Calculation Amount

23. **Early Redemption Amount**

Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default): An amount in the Specified Currency being the Nominal Amount of the Notes

General provisions applicable to the notes

24. **Form of Notes:** **Bearer Notes:**

Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note

25. **New Global Note form:** Yes

26. **Additional Financial Centre(s) relating to Payment Business Dates:** Not Applicable

27. **Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):** No

28. **Details relating to Instalment Notes: (amount of each instalment, date on which each payment is to be made):** Not Applicable

29. **Total Repurchase Option/Partial Repurchase Option:** Not Applicable

RESPONSABILITY

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

Signed on behalf of the Issuer:

By:
Duly authorised

By:
Duly authorised



Part B - Other Information

1. Admission and admission to trading

(i) Listing: None. The Notes will be traded on the systematic internalization system ("SIS") denominated "De@lDone Trading" ("DDT")

(ii) Admission to trading: MPS Capital Services Banca per le Imprese S.p.A. undertakes to apply for the Securities to be admitted to trading on the systematic internalization system ("SIS") denominated "De@lDone Trading" ("DDT"), managed solely by MPS Capital Services Banca per le Imprese S.p.A. acting as "exclusive dealer" (negoziatore unico) as regulated by the applicable rules and regulations (il "Regolamento") published on the website www.mpscapitalservices.it.

For an amount of Notes equal to the Aggregate Nominal Amount of the Notes actually placed, The bid/ask quotes provided by MPSCS shall reflect the prevailing market conditions as of the time of the quotes. The quotes so determined, in case of ask quotes (purchase by the investor), shall be increased by a margin of up to a maximum of 0.50 per cent.; in case of bid quotes (sale by the investor), they shall be reduced by a margin of up to a maximum of 1.50 per cent.

2. RATINGS

The Notes to be issued have been rated:

BBB

by Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. ("S&P"). S&P is established in the European Union and is registered under Regulation 1060/2009/EC (as amended). As such S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with such Regulation - see www.esma.europa.eu/page/List-registered-and-certified-CRAs



3. Notification

The CSSF has provided the *Commissione Nazionale per le Società e la Borsa* (CONSOB) in Italy with a certificate of approval attesting that the Base Prospectus and the supplement thereto dated 31 October 2014 have been drawn up in accordance with the Prospectus Directive

4. Interest of natural and legal persons involved in the issue/offer

Regarding the interest of the persons involved in the issue and offer, the investor should consider and be aware that:

- (i) Mediobanca will act also as Calculation Agent and shall be responsible for determining the Interest Amounts;
- (ii) In connection with the Offer, the Lead Manager, as defined below, will receive a Management Fee equal to 0,55 per cent of the Final Aggregate Nominal Amount and the Distributor, as defined below, will receive, through the Lead Manager, a Selling Fee equal to 2.20 per cent. of the Final Aggregate Nominal Amount. Therefore, the total estimated amount of commissions and costs relating to the Notes will be equal to 2.75 per cent. With respect to the trading of the Notes on the “De@lDone Trading”, should be noted that such systematic internalization system is managed and organized by MPSCapital Services Banca per le Imprese S.p.A., a company participated by the Distributor Monte dei Paschi di Siena S.p.A., the Holding Company of Montepaschi Banking Group.
- (iii) Furthermore, it should be noted that MPS Capital Services Banca per Imprese S.p.A. will act also as hedging counterparty of the Issuer in relation to the issuance of the Notes

Save as stated above and with the exception of the Distributor and the Lead Manager, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

5. Reasons for the offer, estimated net proceeds and total expenses

- (i) Reasons for the offer: See section headed “Use of Proceeds” of the Base Prospectus
- (ii) Estimated net proceeds: Up to EUR 58,350,000
- (iii) Estimated total expenses: Not Applicable

6. Yield

- Indication of yield 0.818 per cent gross (the “Minimum Yield”)
Calculated as Interest Rate of Return (IRR) on the Issue Date. As set out above, the Minimum Yield is calculated at the Issue Date on the basis of the Issue Price, the Fixed Rate and, in case of Floating Rate, the Minimum Rate of Interest. It is not an indication of future yield

7. HISTORIC INTEREST RATES

Details of historic EURIBOR rates can be obtained from Reuters on the page Euribor01



8. Operational information

ISIN: XS1134567012

Common Code: 113456701

New Global Note intended to be held in a manner which would allow Eurosystem eligibility:

Yes

Note that the designation “Yes” simply means that the Notes are intended upon issue to be deposited with one of the ICDSs as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem, either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking, société anonyme and the relevant identification number(s):

Not Applicable

Delivery:

Delivery against payment

Initial Paying Agents:

BNP Paribas,
33, Rue de Gasperich
Howald - Hesprange
L-2085 Luxembourg

Names and addresses of additional Paying Agent(s) (if any):

Not Applicable

9. Distribution

(i) If syndicated, names and addresses of Managers and underwriting commitments:

Not Applicable.

(ii) Date of Distribution Agreement:

The Issuer, and the Lead Manager have entered into on 13 January 2011 an agreement (*Accordo di collocamento*) for the distribution of the Notes in Italy during the Offer Period (the “**Distribution Agreement**”)

(iii) Stabilising Manager(s) (if any):

Not Applicable

If non-syndicated, name and address of Dealer:

Lead Manager (*Responsabile del Collocamento*) is MPS Capital Services Banca per le Imprese S.p.A. (“**MPSCS**”)-

Via L. Pancaldo, 4- Florence (Italy) - *Offices at*
Viale Mazzini, 23 - Siena (Italy)



www.mpscapitalservices.it;

and

Distributor (*Collocatore*) is Banca Monte dei Paschi di Siena S.p.A. -- Piazza Salimbeni, 3 -- 53100 Siena (- Italy), www.mps.it.

The Distributor will receive, through MPSCS, as consideration of its distribution activity, a commission (the "**Selling Fee**"), included in the Issue Price, of 2.20 per cent of the Aggregate Nominal Amount of the Notes actually placed during the Offer Period and the Lead Manager will receive a commission (the "**Management Fee**") equal to 0.55 per cent of the final Aggregate Nominal Amount

US Selling Restrictions:

Reg. S Compliance Category; TEFRA D

Non-exempt Offer:

An offer of the Notes may be made through the Distributor (as defined above) other than pursuant to Article 3(2) of the Prospectus Directive in Italy ("**Public Offer Jurisdictions**") during the period from 21 November 2014 (included) until the earlier of (i) 18 December 2014 (included) and (ii) the day (excluded) immediately after the date on which subscriptions of the Notes is equal to the Aggregate Nominal Amount, subject to Paragraph 10 (*Terms and conditions of the Offer*) of Part B below

10. Terms and conditions of the offer

Offer Period:

The period commencing on (and including) 21 November 2014 and ending on the earlier of (i) 18 December 2014 (included) and (ii) the day (excluded) immediately after the date on which subscriptions of the Notes equals the Aggregate Nominal Amount.

The Offer Period for the Notes placed through "door-to-door selling" (pursuant to Article 30 of the Legislative Decree n. 58 dated 24.02.1998, as amended, the "Italian Financial Service Act") shall be from and including 21 November to and including 11 December 2014, save in case of early termination and postponement.

Pursuant to Article 30, paragraph 6, of the Italian Financial Act, the validity and enforceability of the subscriptions through "door-to-door selling" (*offerta fuori sede*) are suspended for a period of seven days from the date of the subscription. During such period, investors have the right to withdraw from the subscription without any charge or commissions, by means of communication to the Distributor.



During the Offer Period, the Issuer, subject to the previous agreement of MPSCS, will be entitled, to extend the length of the Offer Period end/or to increase the Aggregate Nominal Amount. The Issuer shall forthwith give notice of any such extension end/or of any such increase by publication of a notice on its website www.mediobanca.com, on the Distributor's and Lead Manager's websites www.mps.it and www.mpscapitalservices.it.

Offer Amount: Up to € 60,000,000

Offer Price: Issue Price

Conditions to which the Offer is subject:

- a) if an Extraordinary Event (as defined below) occurs between the period from the date of these Final Terms (included) and the day immediately preceding the commencement of the Offer Period (included) the Issuer, subject to the previous agreement of MPSCS, may revoke the Offer and, in such case, the same will be deemed as cancelled;
- b) if an Extraordinary Event occurs within the Issue Date (excluded) of the Notes, the Issuer, subject to the previous agreement of the MPSCS, has the faculty to withdraw, in whole or in part, the Offer and the subscriptions received until then shall be void and without any effect.

In which cases, the Issuer, the Lead Manager and the Distributor shall give notice to the public by publishing a notice on their respective websites. The revocation or withdrawal of the Offer shall be effective from the first TARGET Settlement Day (included) following publication of the notice on the above mentioned websites.

For the purposes of letters (a) and (b) above, "Extraordinary Event" means any circumstances such as (but not limited to):
(i) adverse changes in the political, financial, economic, monetary, legal or market situation, in Italy or abroad and;
(ii) adverse changes in the financial and economic of the Issuer or its group, which, at the reasonable determination of the



Issuer with the previous agreement of the Lead Manager, may affect the result of the Offer.

In addition, the Issuer, subject to the previous agreement of MPSCS, has the right to early terminate at any time the Offer Period at its reasonable discretion, in which case notice shall be given to investors by publication of a notice on the websites of the Issuer, Lead Manager and the Distributor.

Save as specified above, the Offer is not subject to any condition.

Description of the application process:

Investors interested to subscribe the Notes, during the Offer Period and during Distributor banking hours, may apply at the premises (*filiali*) of the Distributor by filling in, duly executing (also by appropriate attorneys), and delivering a specific subscription form (*Scheda di Adesione*).

Subscription of the Notes may also be made by “door-to-door selling” (*offerta fuori sede*) (pursuant to Article 30 of the Legislative Decree n. 58 dated 24.02.1998, as amended, the “Italian Financial Service Act”)

The subscription form is available at each Distributor’s premises.

There is no limit to the subscription application which may be filled in and delivered by the same prospective investor through the Distributor.

The participation by the investor to the Offer cannot be subject to conditions and once the subscription form is executed by the investors and delivered to the Distributor (or any of its attorneys) the application cannot be revoked by the relevant investor unless it is so permitted by applicable laws and regulations.

In case of offerings of the Notes through “door - to -door selling as per article 30 of the Italian Financial Act (legislative Decree n. 58/1998 as amended from time to time, T.U.F.),” (*offerta fuori sede*) the application of the investor can be revoked, by the relevant investor within the seventh day following the date on which the Distributor has received the relevant application, by means of communication to the Distributor.

Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:

Not Applicable

Details of the minimum and/or maximum

The Notes may be subscribed in a minimum amount of EUR 1,000 and then in integral



amount of application:	multiples of EUR 1,000 in excess thereof
Details of the method and time limits for paying up and delivering the Notes:	<p>The purchase price of the Notes subscribed must be paid by the investor on the Issue Date through the Distributor which has received the relevant application.</p> <p>The Notes will be delivered on the Issue Date to the purchaser of the Notes in the relevant deposit accounts held, directly or indirectly, by Distributor at Euroclear and/or Clearstream Luxembourg (as the case may be) following the payment of the Offer Price (delivery against payment)</p>
Manner in and date on which results of the offer are to be made public:	Not later than 5 TARGET Settlement Days after the close of the Offer Period, a notice relating to the results of the Offer will be published on the Issuer's, Lead Manager's and Distributor's websites.
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	Not Applicable
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	<p>The Distributor shall notify applicants with amounts allotted.</p> <p>There are no allotment criteria (<i>criteri di riparto</i>), as subscription applications will be satisfied until reaching the Aggregate Nominal Amount and thereafter further subscription applications will not be accepted.</p>
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	Except for the embedded commissions described in paragraph 4 (<i>Interests of natural and legal persons involved in the Issue/offer</i>) of Part B, no expenses and duties will be charged by the Issuer to the subscribers of the Notes.
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	See paragraph 9 (iii) of Part B above
Consent to use of Base Prospectus	<p>The Issuer consents to the use of the Base Prospectus in Italy by:</p> <p>Banca Monte dei Paschi di Siena S.p.A. Piazza Salimbeni, 3 Siena (Italy) as Distributor and MPS Capital Services Banca per le Imprese S.p.A. Via L. Pancaldo, 4 Florence (Italy) offices at Viale Mazzini, 23</p>



Siena (Italy) as Lead Manager

Summary of the specific issue

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A - E (A.1 - E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary due to the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

Section A - Introduction and warnings

Element	Description of Element	Disclosure requirement
A.1	Warnings	<p>This summary should be read as an introduction to the Base Prospectus.</p> <p>Any decision to invest in the Notes should be based on consideration of the Base Prospectus as a whole by the investor.</p> <p>Where a claim relating to the information contained in the Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p> <p>Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Base Prospectus or it does not provide, when read together with the other parts of the Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p>
A.2		<p>The Issuer consents to the use of the Base Prospectus in Italy by: Banca Monte dei Paschi di Siena S.p.A. Piazza Salimbeni, 3 Siena (Italy) as Distributor and</p>



MPS Capital Services Banca per le Imprese S.p.A.
Via L. Pancaldo, 4
Florence (Italy)
offices at Viale Mazzini, 23
Siena (Italy) as Lead Manager

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

Section B - Issuer

Element	Description of Element	Disclosure requirement
B.1	Legal and Commercial Name of the Issuers	Mediobanca - Banca di Credito Finanziario S.p.A. ("Mediobanca")
B.2	Domicile /Legal Form /Legislation /Country of Incorporation	<p>Mediobanca was established in Italy.</p> <p>Mediobanca is a company limited by shares under Italian law with registered office at Piazzetta E. Cuccia 1, Milan, Italy.</p> <p>Mediobanca holds a banking licence from the Bank of Italy authorising it to carry on all permitted types of banking activities in Italy.</p> <p>Mediobanca is a bank organised and existing under the laws of Italy, carrying out a wide range of banking, financial and related activities throughout Italy.</p>
B.4b	Description of trends	<p>Mediobanca</p> <p>Not Applicable. As at the date of the Base Prospectus - as supplemented by the Supplement dated 31 October 2014 - Mediobanca is not aware of any trends affecting itself and the industries in which it operates.</p>
B.5	Description of the group of the Issuer(s)	<p>Mediobanca is the parent company of the Mediobanca Group.</p> <p>The Mediobanca Group is registered as a banking group in the register instituted by the Bank of Italy.</p> <p>The Group's principal activities are currently segmented</p>



into three banking divisions and one Corporate Center: the “Corporate & Private banking” (CPB), which includes wholesale banking and private banking (Compagnie Monégasque de Banque and Banca Esperia); “Principal Investing” (PI), which brings together all the Group’s shares related investments (IAS 28) available for sale (AFS); “Retail & Consumer Banking” (RCB), consisting of consumer credit activities (Compass) and retail banking, (CheBanca!); the “Corporate Center” (CC) where all the other companies (including leasing) and some of the costs of the central functions of the Gruppo flow in.

B.9	Profit forecast/estimate	Not Applicable. No forecast or estimates of profits are contained in the Base Prospectus.
B.10	Qualifications in the audit report	Not Applicable. There are no qualifications in the audit report
B.12	Selected historical key information / no material adverse change / significant changes	The audited consolidated balance sheet and profit and loss account of Mediobanca as at 30 June 2014 are shown below, along with comparative data for the years ended 30 June 2013, plus a series of key financial indicators.

Regulatory capital and solvency margins

New definitions (CRR/CRD IV)	Basel 2.5 definitions (in force until 31/12/13)	30/6/14 (€m) or %	30/6/13 (€m) or %
Common Equity Tier 1 - CET1	Tier 1 capital	6,506.7	6,153.2
Additional Tier 1 - AT1		-	
Tier 2 - T2	Tier 2 capital	1,576.2	2,002.2
Own funds	Regulatory capital	8,082.9	8,155.4
RWAs*	Risk - weighted assets (RWA*)	58,744.1	52,372.1
Common Equity Tier 1 ratio - CET1 ratio	Core Tier 1 capital ratio	11.08%	11.75%
Tier 1 ratio - T1 ratio	Tier 1 capital/RWAs (Tier 1 capital ratio)	11.08%	11.75%
Total capital ratio	Regulatory capital/RWAs (Total capital ratio)	13.76%	15.57%
Risk - weighted assets/ Total assets	RWAs	83.4%	71.9%

* Risk - weighted assets (RWAs) have been calculated using the standardised methodology for credit and market risks and the base methodology for operational risks.



Credit risk indicators	30/6/13 (%)	Banking system data as at 30/6/13 (%)	30/6/14 (%)	Banking system data as at 31/12/13 (%)
Gross NPLs/gross loans	1.6%	7.8%	1.3%	8.7%
Net NPLs/net loans	0.6%	3.8%	0.7%	4.3%
Gross irregular items/gross loans	3.6%	14.4%	5.4%	15.9%
Net irregular items/loans	2.1%	n/a	2.9%	n/a
NPL coverage ratio	66.5%	55.2%	67.1%	56.9%
Irregular items coverage ratio	44.9%	19.9%	50.4%	41.8%
Net NPLs/net equity	3.8%	18.5%	3.4%	20.6%
Large Risks Index (1)/total loans	27.2%	n/a	22.0%	n/a
Cost of risk (2)	1.45%		2.30%	

1) *Weighted value.*

2) *The cost of risk is obtained from the ratio between total loan loss provisions for the period and average net loans and advance to customers.*

Composition of the impaired loans	30/6/14 €m	30/6/13 €m
NPLs	270,96	262,74
Sub-standard	692,21	298,84
Restructured	67,32	236,80
Overdue impaired	128,69	191,83
TOTAL IMPAIRED	1,159.18	990,21



Main consolidated balance sheet ITEMS	30/6/14 €m	30/6/13 €m	CHANGES 2014/2013 %
Assets			
Due from banks	9,323.80	8,199.70	13.7%
Due from clients	8,418.50	11,489.8	-26.7%
Financial assets*	23,493.90	27,090.60	-13.3%
Total Assets	70,464.00	72,841.30	-3.3%
Liabilities			
Debt securities	22,617.70	25,856.40	-12.5%
Financial liabilities**	11,595.30	12,702.60	-8.7%
Direct funding (from customers)***	11,481.57	11,874.21	-3.3%
Net interbank position****	6,172.00	7,511.20	-17.8%
Net equity	7,477.90	7,124.30	5.0%
of which: share capital	430,70	430,60	0.0%

* Includes the Financial assets held for trading, the Financial Assets available for sale, the Financial Assets held to maturity and the hedging derivatives

** Includes debts due to banks and the hedging derivatives

*** Includes debts due to clients, debt securities and financial liabilities recognised at fair value

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

MAIN Consolidated profit and loss account ITEMS	30/6/14	30/6/13 €m	CHANGES 2014/2013 %
Net interest income	1,060.9	1,066.3	-0.5%
Net fee and commission income	334,8	308,0	8.7%
Total income	1,819.4	1,557.7	16.8%
Net profit from financial and insurance operations	983,1	853,0	15.3%
Operating costs	-726,9	-676,4	7.5%
Profit before Tax	501,0	-22,8	-
Net Profit	464,8	-176,2	-



Mediobanca

Material adverse change

Since 30 June 2014 with respect to Mediobanca there have been no material adverse changes to the prospects of either Mediobanca or the Group headed up by it.

Significant changes

Not applicable. 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 interim financial statements as at 30 June 2014.

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| B.13 | Recent events | 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, the Issuer's ability to meet its obligations towards third parties. |
| B.14 | Issuer dependent upon other entities within the group | Mediobanca is the parent company of the Mediobanca Group and is not dependent upon other entities within the Mediobanca Group.

See also item B.5 above |
| B.15 | Principal activities | As stated in Article 3 of its 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. |
| B.16 | Control of Issuer | No individual or entity controls Mediobanca within the meaning of Article 93 of the Italian Legislative Decree 58/98. |
| B.17 | Credit ratings | As at 24 luglio 2013 Standard & Poor's Ratings Service, a Division of the McGraw Hill Companies Inc. ("S&P") rated Mediobanca A-2 (short-term debt), BBB (long-term debt) and negative (outlook). |



S&P is a credit rating agency which is established in the European Community and has been registered in accordance with Regulation 1060/2009/EC (as amended by Regulation 513/2011/EC) (the “**CRA Regulation**”). 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 Regulation - see www.esma.europa.eu/page/List-registered-and-certified-CRAs.

The Notes

The Notes are rated by S&P BBB.

Section C - Securities

Element	Description of Element	Disclosure requirement
C.1	Type and class of securities being offered	<p>The Notes are Fixed to Floating Rate Notes subject to a Minimum Interest Rate and a Maximum Interest Rate.</p> <p>The Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank at all times at least pari passu without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the relevant Issuer, save for certain mandatory exceptions of applicable law.</p> <p>The Notes have ISIN XS1134567012 and Common Code 113456701.</p>
C.2	Currency	<p>Subject to compliance with all relevant laws, regulations and directives, the Notes are issued in Euro.</p>
C.5	Restrictions on free transferability	<p>The Notes may not be transferred prior to the Issue Date. Selling restrictions apply to offers, sales or transfers of the Notes under the applicable laws in various jurisdictions and, amongst other, the United States, the European Economic Area (including the United Kingdom and Italy) and Japan. In Italy the Offer shall be carried out in compliance with Article 17 of the Prospectus Directive</p>
C.8	Description of rights, ranking and limitation of rights	<p>The Notes have terms and conditions relating to, among other matters:</p> <p>Rights</p> <p><i>Governing law</i></p> <p>The rights of the investors in connection with the Notes and any contractual or non-contractual obligations arising from or connected with the Notes are governed</p>



by, and shall be construed in accordance with, English law.

Prescription

Claims against the Issuer for payment in respect of the Notes, Receipts and Coupons (which, for this purpose shall not include Talons) shall be prescribed and become void unless made within ten years (in the case of principal) or five years (in the case of interest) in respect thereof.

Payments in respect of Global Notes

All payments in respect of Notes represented by a Global Note will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Notes, surrender of that Global Note to or to the order of the Fiscal Agent or such other Paying Agent as shall have been notified to the Noteholders for such purpose. A record of each payment so made will be endorsed on each Global Note, which endorsement will be prima facie evidence that such payment has been made in respect of the Notes.

Payments in respect of Notes in definitive form

Payments of principal and interest in respect of the Notes in definitive form shall be made against presentation and surrender of the relevant Notes at the specified office of any Paying Agent outside the United States by a cheque payable in the currency in which such payment is due drawn on, or, at the option of the holder, by transfer to an account denominated in that currency with a bank in the principal financial centre of that currency; provided that in the case of Euro, the transfer may be to a Euro account.

Substitution

Subject to the fulfilment of certain conditions, the Issuer may at any time (subject to certain conditions as provided in the Terms and Conditions) without the consent of the holders of Notes or Coupons, substitute Mediobanca in place of Mediobanca International.

Further issues and consolidation

The Issuer may from time to time without the consent of the holders of Notes or Coupons create and issue further notes having the same terms and conditions as the Notes in all respects (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) and so that the same shall be consolidated and form a single series with such Notes. In addition, Notes of one series may be consolidated with Notes of another Series. Being understood that the above provisions on further issues and consolidation shall be applicable only for those tranches or series placed by the Lead Manager through the Distributor.



Status

The Notes are issued by Mediobanca on a unsubordinated basis.

The Senior Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the relevant Issuer and will rank at all times at least pari passu without any preference among themselves and equally with all other present and future unsecured and unsubordinated obligations of the relevant Issuer, save for certain mandatory exceptions of applicable law. See Condition 2(b) (*Status of Notes*) of the Senior Notes Conditions.

Limitation of rights

Events of Default of the Senior Notes

The Senior Notes are subject to the following Events of Default:

- (a) default is made for a period of five Business Days or more in the payment of any principal on any of the Senior Notes or for a period of fifteen Business Days or more in the payment of any interest due in respect of the Senior Notes or any of them;
- (b) the Issuer fails duly to perform any other obligation under or in respect of the Senior Notes or the Issue and Paying Agency Agreement and such failure continues for more than 30 days after the service by a holder of a Senior Note of notice on the Issuer requiring the same to be remedied;
- (c) the Issuer suspends its payments generally;
- (d) certain events relating to the bankruptcy, insolvency, winding-up, dissolution, or administration of the Issuer occur;
- (e) a cross default in respect of indebtedness for borrowed money of the relevant Issuer occurs;
- (f) it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under any of the Senior Notes.

**C.9 Interest/ including yield/
Redemption/Representa
tion**

See item C.8 above for information on certain of the rights attaching to the Notes.

Interest and Interest Periods

The Notes bear interest at a fixed rate from and including the Interest Commencement Date to and excluding the Interest Rate Switch Date and shall thereafter, from and including the Interest Rate Switch Date, bear interest at a floating rate up to and



excluding the Maturity Date.

Interest Rate

The Interest Rate for the Notes from and including the Interest Commencement Date to but excluding the Interest Rate Switch Date is 1.20 per cent. per annum payable quarterly (the “Fixed Rate”).

The Interest Rate for each Interest Period from and including the Interest Rate Switch Date to and excluding the Maturity Date shall be the sum of a Margin of 0.10 per cent per annum and the ISDA Rate (the “Floating Rate”)

where

“ISDA Rate” in relation to any Interest Period means a rate equal to the Floating Rate (as defined in the ISDA Definitions) that would be determined by the Calculation Agent under an interest rate swap transaction if the Calculation Agent were acting as Calculation Agent for that interest rate swap transaction under the terms of an agreement incorporating the ISDA Definitions and under which:

- (a) the Floating Rate Option (as defined in the ISDA Definitions) is 3-months EURIBOR Reuters EURIBOR01;
- (b) the Designated Maturity (as defined in the ISDA Definitions) is to 3-month; and
- (c) the relevant Reset Date (as defined in the ISDA Definitions) is the first Target Settlement Day of the Interest Period during the Floating Rate Period.

Maximum Interest Rate and Minimum Interest Rate

The Interest Rate from the Interest Rate Switch Date to the Maturity Date will also be subject to a Minimum Interest Rate of 0.75 per cent. per annum and a Maximum Interest Rate of 2.65 per cent per annum

Day Count Fraction

The applicable Day Count Fraction for the calculation of the amount of interest due within an Interest Period will be Actual/Actual ICMA for the Fixed Rate and Actual/Actual ICMA for the Floating Rate.

Interest Periods

The Interest Periods are the periods commencing on (and including) the Interest Commencement Date to (but excluding) the first Interest Accrual Date and each period commencing on (and including) an Interest Accrual Date to (but excluding) the next following Interest Accrual Date.

Issue Date and Interest Payment Dates



The Issue Date is 23 December 2014. The Interest Payment Dates will be: (i) with respect to the Fixed Rate Interest Period, 23 March 2015, 23 June 2015, 23 September 2015 and 23 December 2015 as adjusted in accordance with the Business Day Convention, and (ii) with respect to the Floating Rate Interest Period, 23 March, 23 June, 23 September and 23 December in each year, starting from and including 23 March 2016 up to and including the Maturity Date, as adjusted in accordance with the Business Day Convention.

Interest Accrual Dates

The Interest Accrual Dates will be the Interest Payment Dates, provided that, in accordance with the Business Day Convention, no adjustment shall apply (unadjusted).

Interest Rate Switch Date

The Interest Rate Switch Date for the Notes will be 23 December 2015.

Redemption

Maturity

Unless previously redeemed or purchased and cancelled, each Note will be redeemed by the Issuer by payment of the Final Redemption Amount on the Maturity Date which is 23 December 2021.

“Final Redemption Amount” means the principal amount of the Note

Meetings

The Notes contains provisions for convening meetings of Noteholders to consider matters affecting their interests generally with respect to the Notes. These provisions permit defined majorities to bind all holders, including holders who did not attend and vote at the relevant meeting and holders who voted in a manner contrary to the majority.

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| C.10 | Derivative component in the interest payment | The Notes are characterised by a pure bond component and an implied derivative component which is represented by a put option on the minimum rate sold by the Issuer to the investors (0.75 per cent. per annum) and a call option on the maximum rate sold by the investor to the Issuer (2.65 per cent. per annum). See item C.9 above for information on interest. |
| C.11 | Trading of securities | Application is expected be made for Notes to be admitted to trading on systematic internalization system (“SIS”)) denominated “De@lDone Trading, organized and managed by MPS Capital Services Banca per le Imprese S.p.A. as sole “exclusive dealer (<i>negoziatore unico</i>)). |



C.21 **Markets** **where** Italy
 Securities will be traded

Section D - Risks

Element	Description of Element	Disclosure requirement
D.2	Key risks specific to the Issuer	<p>There are certain factors that may affect each Issuer's ability to fulfil its obligations under Notes issued under the Programme. These include the following risk factors related to the Mediobanca Group, its operations and its industry:</p> <ul style="list-style-type: none">(i) The general economic conditions, the performance of financial markets, interest rate levels, currency exchange rates, changes in laws and regulation, changes in the policies of central banks, particularly the Bank of Italy and the European Central Bank, and competitive factors can change the level of demand for the Issuer's products and services, the credit quality of borrowers and counterparties, the interest rate margin of the Issuer between lending and borrowing costs and the value of the Issuer's investment and trading portfolios(ii) The European sovereign debt crisis has adversely affected and may continue, to adversely affect the Issuer's results of operations, business and financial conditions.(iii) The Mediobanca Group has exposure to European sovereign debt.(iv) Fluctuations in interest and exchange rates may affect the Issuer's results.(v) The results of the Issuer are affected by general economic, financial and other business conditions.(vi) The credit and capital markets have been experiencing extreme volatility and disruption in recent months.(vii) The Issuer's investment banking revenues, in the form of financial advisory and debt and equity underwriting fees, are directly related to the number and size of the transactions in which the Issuer participates and may be impacted by continued or further credit market dislocations or sustained market downturns(viii) In some of the Issuer's businesses, protracted adverse market movements, particularly asset price declines, can reduce the level of activity in the market or reduce market liquidity



- (ix) In the event that the extreme volatility and disruption experienced by international and domestic markets in recent months continue in the future, the Issuer's liquidity can be adversely affected.
- (x) If the Issuer is unable to continue to respond to the competitive environment in Italy with attractive product and service offerings that are profitable for the Issuer, it may lose market share in important areas of its business or incur losses on some or all of its activities.
- (xi) If existing or potential customers believe that the Issuer's risk management policies and procedures are inadequate, the Issuer's reputation as well as its revenues and profits may be negatively affected
- (xii) The Issuer, like all financial institutions, is exposed to many types of operational risk, including the risk of fraud by employees and outsiders, unauthorised transactions by employees or operational errors, including errors resulting from faulty computer or telecommunication systems
- (xiii) Systemic risk could adversely affect the Issuer's business.
- (xiv) The investors should note that the portfolio of the Issuer contains so-called "over the counter" (OTC) derivatives. If the financial condition of market counterparties or their perceived creditworthiness deteriorates further, the Group may record further credit valuation adjustments on the underlying instruments insured by such parties.
- (xv) A downgrade of Mediobanca's rating may limit Mediobanca's opportunities to extend mortgage loans and may have a particularly adverse effect on Mediobanca's image as a participant in the capital markets, as well as in the eyes of its clients.
- (xvi) Changes in the Italian and European regulatory framework could adversely affect the Issuer's business.
- (xvii) The Issuer may be subject to increased capital requirements.
- (xviii) The price or value of a Noteholder's investment in Notes and/or the ability of the Mediobanca to satisfy its obligations under the Notes may be affected by the finalization and implementation of the Crisis Management Directive.
- (xix) The Issuer may be forced by the EBA to adopt measures at bridging a capital gap indicated by



the stress test in case the stress tests show that the bank does not meet the capital requested requirements.

D.3 Key risks specific to the securities

In addition, there are certain factors which are material for the purpose of assessing the risks related to Notes issued under the Programme. The Notes may not be suitable for all investors.

Risk related to the structure of a particular Issue of Notes

- (i) In the event that the Issuer would be obliged to increase the amounts payable in respect of any Notes due to any withholding or deduction, the Issuer may redeem all outstanding Notes in accordance with the Conditions, unless in the case of any particular Tranche of Notes the relevant Final Terms specifies otherwise.
- (ii) Notes with variable interest rates can be volatile investments.
- (iii) If specified in the Final Terms, to the extent that the Issuer is required by law to withhold or deduct any present or future taxes of any kind imposed or levied by or on behalf of the Republic of Italy the Issuer will not be under an obligation to pay any additional amounts to Noteholders.
- (iv) Potential investors should also consider that where the underlying interest rate does not rise above the level of the Minimum Interest Rate, comparable investments in notes which pay interest based on a fixed rate which is higher than the Minimum Interest Rate are likely to be more attractive to potential investors than an investment in the Notes. Under those conditions, investors in the Notes might find it difficult to sell their Notes on the secondary market (if any) or might only be able to realise the Notes at a price which may be substantially lower than the nominal amount. To the extent a Maximum Interest Rate applies, investors should be aware that the Interest Rate is capped at such Maximum Interest Rate level. Consequently, investors may not participate in any increase of market interest rates, which may also negatively affect the market value of the Notes.

Risk Factors related to the Notes generally:

- (i) the Notes are governed by, and shall be construed in accordance with English law. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of



this Base Prospectus.

- (ii) “Euroclear Bank S.A./N.V. (“Euroclear”) and/or Clearstream Banking, société anonyme, Luxembourg (“Clearstream, Luxembourg”) will maintain records of the beneficial interests in the Global Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes.
- (iii) The Issuers may, without the consent of Noteholders, correct (i) any manifest error in the Terms and Conditions of the Notes and/or in the Final Terms; (ii) any error of a formal, minor or technical nature in the Terms and Conditions of the Notes and/or in the Final Terms or (iii) any inconsistency in the Terms and Conditions of the Notes and/or in the Final Terms between the Terms and Conditions of the Notes and/or the Final Terms and any other documents prepared in connection with the issue and/or offer of a Series of Notes (provided such correction is not materially prejudicial to the holders of the relevant Series of Notes).
- (iv) In the event the Issuer decides to issue further Notes having the same terms and conditions as an already existing Series of Notes (or in all respects except for the Issue Price, the Issue Date and/or the first payment of interest) and so that the further Notes shall be consolidated and form a single series with the original Notes, the greater nominal amount in circulation could lead to greater liquidity in the secondary market with a consequent negative impact on the price of the relevant Series of the Notes.

Risk Factors relating to the market generally:

- (i) Notes may have no established trading market when issued, and one may never develop. The Issuer has not any obligation to purchase the Notes from the Noteholders. However, should the Issuer decide to purchase the Notes, the secondary market pricing that the Issuer may provide on the Notes may reflect the unwinding cost of the hedging portfolio (if any).
- (ii) The Issuer will pay principal and interest on the Notes in the Relevant Currency. This presents certain risks relating to currency conversions if an investor’s financial activities are denominated principally in a currency or currency unit other than the Relevant Currency.
- (iii) One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of



all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes.

- (iv) The investment activities of certain investors are subject to investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers.
- (v) Implicit fees (e.g. placement fees, direction fees, structuring fees) may be a component of the Issue/Offer Price of Notes, but such fees will not be taken into account for the purposes of determining the price of the relevant Notes in the secondary market.
- (vi) Under certain circumstances indicated in the Final Terms, the Issuer and/or other entities specified in the Final Terms may have the right to withdraw the offer, which in such circumstances will be deemed to be null and void according to the terms indicated in the Final Terms.
- (vii) It is not possible to predict the price at which Notes will trade in the secondary market or whether such market will be liquid or illiquid. The Issuer may, but is not obliged to, list or admit Notes to trading on a stock exchange or market. The Issuer, or any of its Affiliates may, but is not obliged to, at any time purchase Notes at any price in the open market or by tender or private agreement.



Section E - Offer

Element	Description of Element	Disclosure requirement
E.2b	Reasons for the offer and use of proceeds	The net proceeds of the issue of each Tranche of Notes will be used for the general corporate purposes of the relevant Issuer.
E.3	Terms and conditions of the offer	<p>The offer to invest in the Notes is made from 21 November 2014 to 18 December 2014, save in the case of an early closure or extension of the offer period. The minimum amount of application is EUR 1,000. Payments by investors in respect of the purchase of the Notes shall be made by 23 December 2014. The Offer Period for the Notes placed through “door-to-door selling” (pursuant to Article 30 of the Legislative Decree n. 58 dated 24.02.1998, as amended, the “Italian Financial Service Act”) shall be from and including 21 November 2014 to and including 11 December 2014, save in case of early termination and postponement. Pursuant to Article 30, paragraph 6, of the Italian Financial Act, the validity and enforceability of the subscriptions through “door-to-door selling” are suspended for a period of seven days from the date of the subscription. During such period, investors have the right to withdraw from the subscription without any charge or commissions, by means of communication to the Distributor.</p> <p>The results of the offer will be published not later than 5 TARGET Settlement Days after the close of the Offer Period on the websites of the Issuer, Lead Manager and the Distributor. The Global Notes will be delivered to the relevant clearing system no later than on the Issue Date.</p>
E.4	Material interests in the offer	<p>Regarding the interest of the persons involved in the issue and offer, the investor should consider and be aware that:</p> <ul style="list-style-type: none">(i) Mediobanca will act also as Calculation Agent and shall be responsible for determining the Interest Amounts;(ii) In connection with the Offer, the Lead Manager, as defined above, will receive a Management Fee equal to 0.55 per cent of the Final Aggregate Nominal Amount and the Distributor, as defined above, will receive, through the Lead Manager, a Selling fee equal to 2.20 per cent. of the final Aggregate Nominal Amount cent. Therefore, the total estimated amount of commissions and costs relating to the Notes will be equal to 2.75 per cent. With respect to the trading of the Notes on the “De@lDone Trading”, it should be noted that such systematic internalization system is managed and organized solely as <i>negoziatore unico</i> by the Lead



Manager, MPS Capital Services Banca per le Imprese S.p.A., a company participated by the Distributor Monte dei Paschi di Siena, the Holding Company of Montepaschi Banking Group.

- (III) Furthermore, it should be noted that MPS Capital Services Banca per Imprese S.p.A. will act also as hedging counterparty of the Issuer in relation to the issuance of the Notes

Save as stated above and with the exception of the Distributor and the Lead Manager, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the offer.

E.7

Estimated expenses

Not Applicable - No expenses will be specifically charged to purchasers of Notes by the Issuer