

**SUPPLEMENT DATED 12 JANUARY 2018 TO THE BASE PROSPECTUS DATED
12 MAY 2017**



Cassa depositi e prestiti S.p.A.
(incorporated with limited liability in the Republic of Italy)
Euro 10,000,000,000
Debt Issuance Programme

This base prospectus supplement (the “**Supplement**”) is supplemental to and must be read in conjunction with the Base Prospectus dated 12 May 2017, as amended and supplemented by the base prospectus supplement dated 1 June 2017, the base prospectus supplement dated 29 September 2017 and the base prospectus supplement dated 6 November 2017 (the “**Prospectus**”), prepared by Cassa depositi e prestiti S.p.A. (the “**Issuer**” or “**CDP**”) in connection with its Euro 10,000,000,000 Debt Issuance Programme (the “**Programme**”).

This Supplement has been prepared pursuant to Article 16.1 of the Prospectus Directive. It has been approved by the *Commission de Surveillance du Secteur Financier* (the “**CSSF**”) in its capacity as competent authority pursuant to the Luxembourg Law on Prospectuses for Securities dated 10 July 2005, which implements Directive 2003/71/EC (the “**Prospectus Directive**”).

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

Save as disclosed in this Supplement, there has been no other significant new factor and there are no material mistakes or inaccuracies relating to information included in the Prospectus, which is capable of affecting the assessment of Notes issued under the Programme since the publication of the Prospectus.

To the extent that there is any inconsistency between (i) any statement in, or incorporated by reference in the Prospectus by, this Supplement and (ii) any other statement in or incorporated by reference in the Prospectus, the statements in (i) above will prevail.

In accordance with Article 13 paragraph 2 of the Luxembourg Law on Prospectuses for Securities dated 10 July 2005, 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 two working days after the publication of this Supplement (*i.e.* within 16 January 2018), to withdraw their acceptances.

Copies of this Supplement will be available, without charge from the specified offices of the Principal Paying Agent and on the website of the Luxembourg Stock Exchange (www.bourse.lu).

Capitalized terms used but not defined herein have the meanings assigned to them in the Prospectus.

AMENDMENTS TO THE BASE PROSPECTUS

On 14 December 2017, following resolutions by their respective boards of directors, CDP and Poste entered into an agreement for the placement of postal savings products for the three-year period 2018-2020 (the "**Agreement**").

The Agreement consolidates the position of postal savings bonds (*buoni fruttiferi postali*) and passbook savings accounts (*libretti di risparmio postale*) among the most popular savings products for Italians and innovates and broadens the range of services offered. Pursuant to this Agreement, CDP and Poste intend to re-launch postal savings, repositioning postal savings books and postal bonds through greater investment in technology, communication, promotion and education, to reach an increasingly large number of savers.

As a consequence, the paragraphs indicated below shall be replaced as follows.

RISK FACTORS

Paragraph "Risk factors relating to the funding" of Section "Risk Factors" set out at page 34 of the Base Prospectus shall be entirely deleted and replaced as follows:

"CDP is subject to the risk arising out of the concentration of the sources for the collection of savings. In particular, postal savings are the main source of collection for CDP.

As at 31 December 2016, the total stock of postal savings, including passbook savings accounts and postal savings bonds pertaining to CDP, came to €250,800 million, compared with €252,097 million at the end of 2015.

More specifically, the carrying amount of passbook savings accounts reached €118,939 million, while postal savings bonds, which are measured at amortised cost, came to €131,862 million.

Passbook savings accounts (*libretti di risparmio postale*) are financial products, issued by CDP and placed by Poste, represented by registered or bearer deposits, redeemable at demand, assisted by the State guarantee. Postal savings bonds (*buoni fruttiferi postali*) are registered financial products, issued by CDP and placed by Poste, with maturity from 18 months to 20 years, redeemable at demand, assisted by the State guarantee.

Postal savings products (*i.e.* postal savings bonds and passbook savings accounts) are placed exclusively by Poste.

On 14 December 2017, CDP and Poste entered into an agreement for the placement of postal saving products (the "**Agreement**"). The Agreement has a duration of 3 years and shall be effective for the period 2018 – 2020.

Any possible variation of the corporate governance of Poste, without any variation of the majority, shall not affect the Agreement and the placement activities carried out by Poste with respect to the postal saving products.

In light of the above, the Agreement poses a risk of concentration of CDP funding sources. In any event, the Agreement shall assure the stabilization of the funding volumes and the management of extraordinary situations such as those regarding the variation of the corporate governance of the parties, even on the basis of the recent amendments introduced by Italian Law 23 December 2014, No. 190.

In order to mitigate the risk of concentration of the funding sources, some measures have been considered to improve efficiency, consolidation and differentiation of funding for CDP, which should provide continuous and stable funding volumes. In particular the sources of institutional funding have been enhanced with the establishment of the CDP's "*Cassa depositi e prestiti S.p.A. Euro 10,000,000,000 Debt Issuance Programme*", the launch of a commercial paper program, the negotiation of new lines of credit granted by the EIB and other supranational institutions and the establishment of a new program of retail bonds. Anyway, there is no guarantee that the measures implemented in order to avoid funding concentration risk are effective and sufficient to mitigate such risk for CDP. Therefore, the inefficacy of such measures may adversely affect financial situation and operating results of CDP and, as consequence thereof, affect the Issuer's ability to fulfil its obligations under the Notes."

DESCRIPTION OF CASSA DEPOSITI E PRESTITI S.P.A.

Paragraph "CDP activities under the Separate Account System" of Section "Description of Cassa depositi e prestiti S.p.A." set out at page 145 of the Base Prospectus shall be entirely deleted and replaced as follows:

"Pursuant to paragraph 8 of Article 5 of Law Decree 269 and to article 6 of CDP's by-laws, CDP has established a separate account system in which the activities under letters (A1), (A2), (C), (D) where applicable, (E) where applicable, (F), (G) and (H) of article 3 of CDP's by-laws where applicable, as well as any other instrumental, connected or ancillary activity carried out using funds pursuant to Article 5, paragraph 7, letter (a), are to be registered and managed (the "Separate Account System"). The Separate Account System is established for accounting and organisational purposes only, so that from a legal point of view, CDP remains a single legal entity and any creditors of CDP may recover their claims by attaching them to all of CDP's assets (except for those segregated in favour of certain creditors only pursuant to Article 5, paragraph 18).

The Separate Account System is managed in line with applicable transparency and economic safeguard criteria. Article 6 of CDP's by-laws has been amended in order to specify that, for the transactions referred to in letter (A2) of paragraph 1 of article 3 of CDP's by-laws, the economic and financial sustainability of each project shall be assessed.

Such organisational and accounting separation aims at highlighting the economic balance of the Separate Account System and at enabling the MEF to exercise its powers to issue guidelines thereon and to ensure compliance with EU legislation on State Aid, competition and transparency.

Pursuant to paragraphs 9 and 11 of Article 5 of Law Decree 269, the MEF has the power to determine the general policies of the Separate Account System and to issue decrees on, *inter*

alia, the determination of the criteria for the definition of general economic terms of the demand of passbook savings accounts, postal savings bonds, other securities and other financial transactions guaranteed by the Republic of Italy, as well as those for the granting of loans by means of funds pursuant to Article 5, paragraph 7, letter (a) of Law Decree 269 and for the management of the shareholdings and participations held by CDP.

The implementation by CDP of the decrees or guidelines issued by the MEF in connection with the Separate Account System is ensured by the attendance of Additional Directors (as defined below) at the meetings of the board of directors of CDP (the "**Board of Directors**") convened to resolve on matters relating to the Separate Account System (for details on the Additional Directors see paragraph "*Board of Directors, Managing Director and General Manager*" below). To pass a valid resolution involving the management of the Separate Account System, at least two Additional Directors are required to be present at the board meeting and to vote for its adoption.

In addition, the Supervisory Board (as defined below) is composed of four members of the Italian Senate (*Senato della Repubblica*), four members of the Italian Chamber of Deputies (*Camera dei Deputati*), three judges of the Council of State (*Consiglio di Stato*), and one judge of the Court of Accounts (*Corte dei Conti*), and supervises the Separate Account System of CDP pursuant to paragraph 9 of Article 5 and Royal Decree No. 453 of 2 January 1913 ("**Royal Decree 453**").

CDP and Poste entered into a new agreement for the distribution of postal savings instruments, on 14 December 2017 for a three-year term ending on 31 December 2020 (the "**Agreement**"). The Agreement consolidates the relationships between CDP and Poste, strengthening their partnership to serve Italian investors and supporting the Italy's economic growth. The Agreement will be effective following the execution and the effectiveness of the agreement between the MEF and CDP relating to the management of the series of postal savings bonds transferred to the MEF.

Pursuant to the Agreement, the remuneration of Poste, which is the only distributor of postal savings products issued by CDP, is proportionate to the stock of postal savings products (passbook savings accounts and postal savings bonds) and the annual flows of bond subscriptions. The remuneration of Poste is linked to the achievement of annual net inflows. On reaching such targets, CDP will pay to Poste an annual remuneration of between a minimum € 1.55 billion and a maximum € 1.85 billion over the three-year period 2018-2020.

Postal savings, which allow CDP to pursue its institutional mission, constitute the main source of funding in the Separate Account System for CDP. As at 31 December 2016, postal savings represented 75.6% of CDP's total funding in the Separate Account System (equal to Euro 250.8 billion out of a total of Euro 332 billion).

Any and all transactions and business activities entered into by CDP in connection with funding and lending under the Separate Account System are exempt from registration tax, stamp duty, mortgage tax and other indirect taxes."

As a consequence of the transfer of shares among some banking foundations (*fondazioni bancarie*) which own the share capital of the Issuer, the paragraph indicated below shall be replaced as follows.

DESCRITPION OF CASSA DEPOSITI E PRESTITI S.P.A.

Paragraph “CDP share capital and share ownership” of Section “Description of Cassa depositi e prestiti S.p.A.” set out at page 156 of the Base Prospectus shall be entirely deleted and replaced as follows:

“The Issuer’s authorised and fully paid in share capital, as at the date of this Base Prospectus, is equal to Euro 4,051,143,264.00 and is divided into 342,430,912 ordinary shares with no par value. As at the date of this Base Prospectus, the MEF owns 82.775% of the share capital of CDP and 15.925% is owned by 61 banking foundations (*fondazioni bancarie*). The remaining 1.3010% was repurchased by CDP after two banking foundations exercised their withdrawal right related to the conversion of preferred shares.

Pursuant to Article 5, paragraph 2, of Law Decree 269 and to article 7, paragraph 2, of CDP’s by-laws, the majority of the shares with voting rights must be owned by the MEF. No shareholder of CDP, other than the MEF, may hold, directly or indirectly, shares equal to more than 5% of the share capital. Any voting rights attached to the shares held in excess of such shareholding, may not be exercised, without prejudice to the fact that the shares for which the right to vote may not be exercised will in any case be included in the calculation of the quorum required to constitute the shareholders’ meeting. Pursuant to article 8, paragraph 1, of CDP’s by-laws, shares may only be owned by the foundations referred to in Article 2 of Legislative Decree No. 153 of 17 May 1999, banks and supervised financial intermediaries, which fulfil the stability of assets and regular management requirements.

As at the date of this Base Prospectus, the shareholders of CDP are as follows:

Shareholders	Share Capital Owned (%)
Ministero dell’economia e delle finanze (MEF)	82.775
Fondazione di Sardegna	1.670
Compagnia di San Paolo	1.609
Fondazione Cassa di Risparmio delle Province Lombarde	1.558
Fondazione Cassa di Risparmio di Torino	1.500
Fondazione Cassa di Risparmio di Lucca	0.852
Fondazione Cassa di Risparmio di Trento e Rovereto	0.714
Fondazione Cassa di Risparmio di Cuneo	0.741
Fondazione Cassa di Risparmio di Firenze	0.601

Shareholders	Share Owned (%)	Capital
Fondazione Cassa di Risparmio di Perugia	0.601	
Fondazione Cassa di Risparmio di Padova e Rovigo	0.599	
Fondazione di Venezia	0.417	
Fondazione Banca del Monte di Lombardia	0.417	
Fondazione Cassa dei Risparmi di Forlì	0.431	
Fondazione Cassa di Risparmio di Genova e Imperia	0.371	
Fondazione Cassa di Risparmio di Alessandria	0.371	
Fondazione Cassa di Risparmio di Pistoia e Pescia	0.351	
Fondazione Agostino De Mari	0.275	
Fondazione Cassa di Risparmio di Trieste	0.256	
Fondazione di Piacenza e Vigevano	0.266	
Fondazione Cassa di Risparmio di Ravenna	0.167	
Fondazione Cassa di Risparmio di Modena	0.149	
Istituto Banco di Napoli Fondazione	0.142	
Fondazione Friuli	0.136	
Fondazione Cassa di Risparmio della Spezia	0.109	
Fondazione Cassa di Risparmio di Macerata	0.100	
Fondazione Cassa di Risparmio di Bolzano	0.089	
Fondazione Cassa di Risparmi di Livorno	0.089	
Fondazione Cassa di Risparmio di Imola	0.086	
Fondazione Cassa di Risparmio di Gorizia	0.083	
Fondazione Cassa di Risparmio della Provincia dell'Aquila	0.083	
Fondazione Cassa di Risparmio di Terni e Narni	0.083	
Fondazione Cassa di Risparmio di Asti	0.083	
Fondazione Cassa di Risparmio di Carpi	0.083	
Fondazione Cassa di Risparmio di Biella	0.083	
Fondazione Cassa di Risparmio di Reggio Emilia - Pietro Manodori	0.083	
Fondazione Cassa di Risparmio di Teramo	0.083	
Fondazione Cassa di Risparmio di Pesaro	0.067	

Shareholders	Share Capital Owned (%)
Fondazione Pescarabruzzo	0.042
Fondazione Cassa di Risparmio di Mirandola	0.033
Fondazione del Monte di Bologna e Ravenna	0.033
Fondazione Cassa di Risparmio di Vercelli	0.033
Fondazione Cassa di Risparmio della Provincia di Viterbo CA.RI.VIT.	0.033
Fondazione Banca del Monte di Lucca	0.033
Fondazione Sicilia	0.033
Fondazione Cassa di Risparmio di Saluzzo	0.033
Fondazione Cassa di Risparmio di Fabriano e Cupramontana	0.033
Fondazione Banca del Monte "Domenico Siniscalco-Ceci" di Foggia	0.025
Fondazione Cassa di Risparmio di Calabria e di Lucania	0.025
Fondazione Cassa di Risparmio di Savigliano	0.017
Fondazione Cassa di Risparmio di Fossano	0.017
Fondazione Cassa di Risparmio di Carrara	0.017
Fondazione Cassa di Risparmio di Fermo	0.017
Fondazione Cassa di Risparmio di Orvieto	0.017
Fondazione Cassa di Risparmio e Banca del Monte di Lugo	0.017
Fondazione Cassa di Risparmio Salernitana	0.017
Fondazione Cassa di Risparmio di Spoleto	0.017
Fondazione Cassa di Risparmio di Ferrara	0.014
Fondazione Banca del Monte e C.R. Faenza	0.008
Fondazione Cassa di Risparmio di Bra	0.005
Fondazione Banca del Monte di Rovigo	0.002
CDP – Own shares	1.300”