TAMBURI INVESTMENT PARTNERS S.P.A.

(incorporated with limited liability under the laws of the Republic of Italy)

€300,000,000
2.500 per cent. Bonds due 5 December 2024

Issue Price: 99.421 per cent.

The €300,000,000 2.500 per cent. Bonds due 5 December 2024 (the "**Bonds**") will be issued by Tamburi Investment Partners S.p.A. (the "**Issuer**"). Interest on the Bonds is payable annually in arrear on 5 December in each year. Payments on the Bonds will be made without deduction for or on account of taxes of Italy to the extent described under "*Terms and Conditions of the Bonds — Taxation*".

The Bonds mature on 5 December 2024 (the "**Maturity Date**"), but may be redeemed before then at the option of the Issuer (i) in whole or in part at any time at the Make Whole Amount (as defined in the Terms and Conditions of the Bonds), (ii) in whole at their principal amount at any time following a Substantial Purchase Event (as defined in the Terms and Conditions of the Bonds), or (iii) in whole at their principal amount at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, in each case together with accrued interest. In addition, upon the occurrence of certain change of control events, the Bonds may be redeemed at the option of the relevant holder at their principal amount together with accrued interest. The Bonds are also subject to redemption in whole, at their principal amount, together with accrued interest, at the option of the Issuer at any time in the event of certain changes affecting taxes of Italy. See "*Terms and Conditions of the Bonds — Redemption and Purchase*".

This Prospectus constitutes a prospectus for the purposes of Part IV of the Luxembourg law on prospectus securities dated 16 July 2019. Application has been made for the Bonds to be admitted to listing on the Official List of the Luxembourg Stock Exchange (the "**Official List**") and to trading on the Luxembourg Stock Exchange's Euro MTF Market (the "**Euro MTF Market**"). References in this Prospectus to Bonds being "listed" (and all related references) shall mean that the Bonds have been admitted to the Official List and have been admitted to trading on the Euro MTF Market. The Euro MTF Market is not a regulated market for the purposes of Directive 2014/65/EU of the European Parliament and of the Council on Markets in Financial Instruments, as amended ("**MiFID II**"). This Prospectus has not been approved by and will not be submitted for approval to the *Commission de surveillance du secteur financier* of Luxembourg.

The denomination of the Bonds shall be €100,000 and integral multiples of €1,000 in excess thereof, up to and including €199,000.

The Bonds will initially be represented by a temporary global bond (the "**Temporary Global Bond**"), without interest coupons, which will be issued in new global bond ("**NGN**") form as they are intended to be eligible collateral for Eurosystem monetary policy. The Temporary Global Bond will be delivered to a common safekeeper (the "**Common Safekeeper**") for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") on or prior to 5 December 2019. The Temporary Global Bond will be exchangeable for interests in a permanent global bond (the "**Permanent Global Bond**" and, together with the Temporary Global Bond, the "**Global Bonds**"), without interest coupons, on or after a date which is expected to be 14 January 2020, upon certification as to non-U.S. beneficial ownership. The Permanent Global Bond will be exchangeable for definitive Bonds in bearer form in the limited circumstances set out in it. See "*Overview of Provisions relating to the Bonds while in Global Form*".

The Bonds have not been, and will not be, registered under the United States Securities Act 1933, as amended (the "**Securities Act**"). The Bonds are being offered outside the United States by BNP Paribas (the "**Sole Lead Manager**") and Banca Akros S.p.A. – Gruppo Banco BPM (the "**Co-Manager**" and, together with the Sole Lead Manager, the "**Managers**") in accordance with Regulation S under the Securities Act ("**Regulation S**"), and may not be offered or sold or delivered within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from the registration requirements of the Securities Act. The Bonds are subject to U.S. tax law requirements.

The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies will not apply when the Prospectus is no longer valid. For this purpose, "valid" means valid for making offers to the public or admissions to trading on a regulated market by or with the consent of the Issuer and the obligation to supplement the Prospectus is only required within its period of validity between the time when the Prospectus is approved and the closing of the offer period for the Bonds or the time when trading on a regulated market begins, whichever occurs later.

Prospective investors should have regard to the factors described under the section headed "*Risk Factors*" in this Prospectus.

Sole Lead Manager

BNP PARIBAS

Co-Manager

Banca Akros S.p.A. – Gruppo Banco BPM

The date of this Prospectus is 3 December 2019.

IMPORTANT NOTICES

This Prospectus has been prepared for the purpose of giving information with regard to the Issuer, the Issuer and its subsidiaries taken as a whole (the "**Group**") and the Bonds which, according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Issuer. The Issuer (the "**Responsible Person(s)**") accepts responsibility for the information contained in this Prospectus. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. This Offering Circular does not comprise a prospectus for the purposes of Regulation (EU) 2017/1129.

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see "*Documents Incorporated by Reference*").

To the fullest extent permitted by law, the Principal Paying Agent, and the Paying Agents (together the "**Agents**" and each an "**Agent**"), the Trustee and the Managers accept no responsibility whatsoever for the contents of this Prospectus or for any other statement, made or purported to be made by the Managers, the Trustee or an Agent or on its behalf in connection with the Issuer or the issue and offering of the Bonds. The Managers, the Trustee and each Agent accordingly disclaims all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise have in respect of this Prospectus or any such statement.

Neither the Managers, the Trustee, the Agents nor any of their respective affiliates have authorised the whole or any part of this Prospectus and none of them makes any representation or warranty or accepts any responsibility as to the accuracy or completeness of the information contained in this Prospectus or any responsibility for any acts or omissions of the Issuer or any other person (other than the Managers, the Trustee or the relevant Agent itself) in connection with issue and offering of the Bonds.

No person is authorised to give any information or to make any representation not contained in this Prospectus and any information or representation not so contained must not be relied upon as having been authorised by or on behalf of the Issuer, the Managers, the Trustee or the Agents. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct as of any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Bonds may not be a suitable investment for all investors. Each potential investor in the Bonds must determine the suitability of the investment in light of its own circumstances. In particular, each potential investor should (a) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained in this Prospectus or any applicable supplement; (b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the

Bonds and the impact such investment will have on its overall investment portfolio; (c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency; (d) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant indices and financial markets; and (e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

OFFER RESTRICTIONS

This Prospectus does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Managers to subscribe or purchase, any of the Bonds. The distribution of this Prospectus and the offering of the Bonds in certain jurisdictions may be restricted by law. Persons into whose possession this Prospectus comes are required by the Issuer and the Managers to inform themselves about and to observe any such restrictions.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus, see "*Subscription and Sale*" below.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ECPs ONLY TARGET MARKET – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

STABILISATION

In connection with the issue of the Bonds, BNP Paribas (the "**Stabilising Manager**") (or any person acting on behalf of the Stabilising Manager) may over-allot Bonds or effect transactions with a view to supporting the market price of the Bonds at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) will undertake stabilisation action. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Bonds is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the issue date of the Bonds and 60 days after the date of the allotment of the Bonds. Any stabilisation action or over-allotment must be conducted by the Stabilising Manager (or any person acting on behalf of the Stabilising Manager) in accordance with all applicable laws and rules.

GENERAL

Unless otherwise specified or the context requires, references to "dollars", "U.S. dollars" and "U.S.$" are to United States dollars, references to "euro", "EUR" and "€" are to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community, references to "sterling", "GBP" and "£" are to pounds sterling and references to "SEK" are to Swedish krona.

Certain figures included in this Prospectus have been subject to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly, and figures shown as totals in certain tables may not total exactly.

ALTERNATIVE PERFORMANCE MEASURES

The Issuer considers each metric set out below to constitute an “alternative performance measure” (an “**APM**”) as described in the European Securities and Markets Authority Guidelines on Alternative Performance Measures (the “**ESMA Guidelines**”) published on 5 October 2015 by the European Securities and Markets Authority and which came into force on 3 July 2016.

The Issuer considers that these metrics provide useful information for investors and other interested parties in order to better understand the underlying business, the financial position, cash flows and results of operations of the Issuer.

The financial measures presented in this section are not defined in accordance with International Financial Reporting Standards (“**IFRS**”) and International Accounting Standards (“**IAS**”). An APM should not be considered in isolation from, or as substitute for any analysis of, financial measures defined according to IFRS or IAS. Investors are advised to review these APMs in conjunction with the consolidated financial statements of the Issuer contained in this Prospectus.

Metric	**Definition**
Net financial position	Indicator of the ability to meet obligations of a financial nature, calculated as the sum of the values pertaining to the short and long term financial debt items net of cash and cash equivalents, current financial asset and current financial receivables.
Total return	Calculated taking into consideration the performance of TIP shares, the dividends distributed and the performance of the TIP warrant 2015-2020 allocated without consideration to shareholders.
Ebitda	Ebitda as defined by the reference source of the single investment (financial statetments and press releases)

FORWARD-LOOKING STATEMENTS

This Prospectus includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Prospectus and include, but are not limited to, statements regarding the intentions of the Issuer, beliefs or current expectations concerning, among other things, the business, results of operations, financial position and/or prospects of the Issuer.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the financial position and results of operations of the Group, and the development of the markets and the industries in which members of the Group operate, may differ materially from those described in, or suggested by, the forward-looking statements contained in this Prospectus. In addition, even if the Group’s results of operations and financial position, and the development of the markets and the industries in which the Group operates, are consistent with the forward-looking statements contained in this Prospectus, those results or developments may not be indicative of results or developments in subsequent periods. A number of risks, uncertainties and other factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements. See “*Risk Factors*” below.

MARKET SHARE INFORMATION AND STATISTICS

Information regarding markets, market size, market share, market position, growth rates and other industry data pertaining to the Issuer’s business contained in this Prospectus consists of estimates based on data reports compiled by professional organisations and analysts, on data from other external sources, and on the Issuer’s knowledge of its reference markets. In many cases, there is no readily available external information (whether from trade associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Issuer to rely on internally developed estimates. While the Issuer has compiled, extracted and accurately reproduced market or other industry data from external sources, including third parties or industry or general publications, neither the Issuer nor the Managers have independently verified that data. As far as the Issuer is aware, no facts have been omitted which would render the reproduced information inaccurate or misleading. The Issuer cannot assure investors of the accuracy and completeness of, and takes no responsibility for, such data other than the responsibility for the correct and accurate reproduction thereof.

TABLE OF CONTENTS

Page

DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus should be read and construed in conjunction with the following:

1. the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2017, together with the audit report thereon, which appear on pages 67 to 74 of the Issuer's annual report and accounts for the year ended 31 December 2017 (the "**2017 Annual Report**");

2. the audited consolidated financial statements of the Issuer for the financial year ended 31 December 2018, together with the audit report thereon, which appear on pages 62 to 67 of the Issuer's annual report and accounts for the year ended 31 December 2018 (the "**2018 Annual Report**");

3. the unaudited condensed consolidated financial statements of the Issuer for the six months ended 30 June 2019 (the "**2019 Consolidated Half-Year Report**"); and

4. the unaudited consolidated financial statements of the Issuer for the nine months ended 30 September 2019 ("**Additional periodic disclosure at September 2019**"),

together, the "**Documents Incorporated by Reference**").

Copies of the Documents Incorporated by Reference will be available, without charge, on the website of the Issuer, as set out below and on the website of the Luxembourg Stock Exchange at www.bourse.lu:

1. https://www.tipspa.it/uploads/e80fe0aa04c94da18003383c8ae94e83.pdf as to the Issuer's 2017 Annual Report;

2. https://www.tipspa.it/uploads/a8e7747e53414ee4876dc854594c4a41.pdf as to the Issuer's 2018 Annual Report;

3. https://www.tipspa.it/uploads/fba4efbcdf2a4c14bf4d86ab28527a38.pdf as to the Issuer's 2019 Consolidated Half-Year Report; and

4. https://www.tipspa.it/uploads/5633c09c919e497f96a0c49d4f84f465.pdf as to the Issuer's Additional periodic disclosure at September 2019.

Cross-reference lists

The following table shows where the information incorporated by reference in this Prospectus can be found in the above-mentioned documents.

2017 Annual Report	**Page**
Consolidated Income Statement	18
Consolidated Statement of Comprehensive Income	19
Consolidated Statement of Financial Position	20
Statement of changes in Consolidated Equity	21
Consolidated Statement of Cash Flows	22-23

The Documents Incorporated by Reference have been previously published or are published simultaneously with this Prospectus and have been approved by the Luxembourg Stock Exchange or filed with it. The Documents Incorporated by Reference shall be incorporated in, and form part of, this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus. Those parts of the documents incorporated by reference in this Prospectus which are not specifically incorporated by reference in this Prospectus are either not relevant for prospective investors in the Bonds or the relevant information is included elsewhere in this Prospectus. Any documents themselves incorporated by reference in the documents incorporated by reference in this Prospectus shall not form part of this Prospectus.

OVERVIEW

The overview below describes the principal terms of the Bonds and is qualified in its entirety by the more detailed information contained elsewhere in this Prospectus. Capitalised terms used herein and not otherwise defined have the respective meanings given to them in the "*Terms and Conditions of the Bonds*" (the "**Conditions**").

Issuer:	Tamburi Investment Partners S.p.A.
Legal Entity Identifier of the Issuer:	81560017CF8066680595.
Website of the Issuer:	www.tipspa.it
Trustee:	Lucid Trustee Services Limited .
Principal Paying Agent:	BNP Paribas Securities Services, Luxembourg Branch.
Sole Lead Manager:	BNP Paribas
Co-Manager:	Banca Akros S.p.A. – Gruppo Banco BPM
Bonds:	€300,000,000 2.500 per cent. Bonds due 5 December 2024.
Issue Date:	5 December 2019.
Issue Price:	99.421 per cent. of the aggregate nominal amount of the Bonds.
Form and Denomination:	The Bonds are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 each with Coupons attached on issue. No Bonds in definitive form will be issued with a denomination above €199,000.
Status of the Bonds:	The Bonds and Coupons constitute (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations of the Issuer (other than obligations preferred by law), as further described under "*Terms and Conditions of the Bonds — Status*".
Interest Payment Dates:	Interest in respect of the Bonds will be payable annually in arrear on 5 December in each year commencing on 5 December 2020 (the "**First Interest Payment Date**") and ending on (and including) the Maturity Date (unless the Bonds are previously redeemed or purchased and cancelled).
Maturity Date:	5 December 2024.
Redemption:	Unless previously redeemed, or purchased and cancelled, the Bonds will be redeemed at their principal amount on the Maturity Date.
Issuer Call Option for Taxation Reasons:	The Issuer may, at its option, redeem all, but not some only, of the Bonds at any time at their principal amount, together with

accrued interest, in the event of certain tax changes, as further described under "*Terms and Conditions of the Bonds — Redemption and Purchase*".

Redemption at the option of the Issuer (Make Whole Call):	The Issuer may, at its option, redeem all, but not some only, of the Bonds at any time at the Make Whole Amount as defined in the Conditions) together with accrued interest, as further described under "*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption for taxation reasons*".
Redemption at the option of Bondholders upon a Change of Control:	Upon the occurrence of a Change of Control (as defined in the Conditions), each Bondholder shall have the option to require the Issuer to redeem all of the Bonds of such holder at their principal amount together with accrued interest, as further described under "*Terms and Conditions of the Bonds – Redemption and Purchase — Redemption at the option of Bondholders upon a Change of Control*".
Redemption following a Substantial Purchase Event (Clean-Up Call):	Upon the occurrence of a Substantial Purchase Event (as defined in the Conditions), the Issuer may, at its option, redeem all, but not some only, of the Bonds at their principal amount, together with accrued interest, as further described under "*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption following a Substantial Purchase Event (Clean-Up Call)*".
Redemption at the option of the Issuer (Issuer Maturity Par Call):	At any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, the Issuer may, at its option, redeem all, but not some only, of the Bonds at their principal amount, together with accrued interest, as further described under "*Terms and Conditions of the Bonds — Redemption and Purchase — Redemption at the option of the Issuer (Issuer Maturity Par Call)*".
Events of Default:	The Bonds will be subject to certain events of default including (among others) non-payment of principal for seven days or non-payment of interest for a period of 14 days, failure to perform or observe any of the other obligations in respect of the Bonds, cross-default and certain events relating to bankruptcy and insolvency of the Issuer or any Material Group Company, as further described under "*Terms and Conditions of the Bonds – Events of Default*".
Negative Pledge:	The Conditions include a negative pledge, as further described under "*Terms and Conditions of the Bonds – Negative Pledge"*.
Taxation:	All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds and the Coupons shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or

	assessed by Italy or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, subject to certain exceptions, as further described under "*Terms and Conditions of the Bonds – Taxation".*
Governing Law:	The Trust Deed, the Bonds and the Coupons, and any non-contractual obligations arising out of or in connection with them, will be governed by, and construed in accordance with, English law, provided that Condition 12(a) (*Meetings of Bondholders, Modification, Waiver and Substitution – Meetings of Bondholders*) and Schedule 4 of the Trust Deed which relate to the convening of meetings of Bondholders and the appointment of a Bondholders' representative are subject to compliance with Italian law.
Clearing and Settlement:	Euroclear Bank SA/NV and Clearstream Banking S.A. The Bonds will initially be represented by the Temporary Global Bond, which will be issued in NGN form. The Temporary Global Bond will be delivered on or prior to the Issue Date to the Common Safekeeper for Euroclear and Clearstream, Luxembourg. The Temporary Global Bond will be exchangeable for interests in the Permanent Global Bond. The Permanent Global Bond will be exchangeable for definitive Bonds in bearer form in the limited circumstances set out in it.
Listing and Admission to Trading:	Application has been made for the Bonds to be admitted to trading on the Euro MTF Market and to be listed on the Official List of the Luxembourg Stock Exchange.
Use and Estimated net amount of Proceeds:	The estimated net proceeds of the issue of the Bonds, after deduction of commissions, fees, and estimated expenses, will be €297,363,000 and the estimated net proceeds will be used for general corporate purposes, including the refinancing of outstanding indebtedness.
Selling Restrictions:	There are restrictions on offers of the Bonds to EEA retail investors and into, or to persons resident in, the United States, the United Kingdom, The Republic of Italy and France and elsewhere. See "*Subscription and Sale*". Category 2 selling restrictions will apply to the Bonds for the purposes of Regulation S under the Securities Act.
Risk Factors:	For a discussion of certain risk factors relating to the Issuer and the Bonds that prospective investors should carefully consider prior to making an investment in the Bonds. See "*Risk Factors*".
Securities Identifiers for the Bonds:	ISIN: XS2088650051. Common Code: 208865005.

FISN: TAMBURI INVESTM/2.5EUR NT 20241205.
CFI Code: DBFNFB.

RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. All of these factors are contingencies which may or may not occur. The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with any Bond for other reasons and the Issuer does not represent that the statements below regarding the risks of holding any Bond are exhaustive.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Bonds are also described below.

The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the Issuer may be unable to pay interest, principal or other amounts on or in connection with the Bonds for other reasons, and the Issuer does not represent that the statements below regarding the risks of holding the Bonds are exhaustive. Prospective investors should also read the detailed information set out elsewhere in this Prospectus (including any documents incorporated by reference herein) and reach their own views prior to making any investment decision.

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER OR IN CONNECTION WITH THE BONDS

1. Risks relating to the structure of TIP's business model

TIP is exposed to risks resulting from direct investments through its balance sheet

TIP faces the following risks in connection with investments made directly or indirectly using TIP's shareholders' equity. The principal risks facing TIP's investment activity are the following:

- risks relating to the valuation of the relevant entities or financial instruments in which it invests, which can be complex (see "— "*Changes in the value of equities, bonds and other financial instruments may impact the value of TIP's assets and shareholders' equity*");
- risks relating to changes in global or country-specific economic conditions that may, first, impact the ability of TIP to liquidate its investments under satisfactory terms and, second, reduce the value of or return on its investments (see "— *Risks associated with the general economic conditions*");
- risks relating to the evaluation of a contemplated investment, the assessment of the strengths and weaknesses of the target company or project, its development potential, its market context, the quality of its business plan and the ability of the relevant company's management to successfully execute that plan, as well as to the structuring and understanding of the investment (including management retention mechanisms), which may be complex or relate to complex financial instruments, or which may not include adequate protections for TIP;
- risks arising from the management of the relevant target company prior to the date of TIP's investment in it, which may not be identified in the due diligence procedures carried out before making the investment, or which may not be subject to guarantees or indemnities by the relevant sellers (for example, the relevant risks may not be subject to guarantees or indemnities in a market acquisition or might be excluded from

the scope of the assets and liabilities guarantees or indemnities negotiated by TIP or its business partners in connection with the acquisition; the relevant risks may exceed available compensation or reimbursement provided for by the applicable agreed thresholds, deductibles and coverage limits; the relevant guarantors may be insolvent; or legal disputes may arise with the relevant guarantors in regard to the enforcement of the applicable guarantees, etc.);

- specific risks relating to investments outside of Italy and, in particular, understanding the issues, relevant implicated parties, local economic factors, investment structuring requirements to comply with local rules and exposures to country risk, etc.;
- risks related to the insolvency or financial difficulties of one or more companies in which TIP has invested (e.g., resulting in an obligation to financially support the relevant company, a loss equal to the net book value of the applicable financial asset and, where applicable, interest owed, administration or liquidation or other insolvency proceedings and claims for repayment of liabilities) and the risk of any related lawsuits or legal proceedings.

As of 30 September 2019, the consolidated book value of equity investments made by TIP (i.e. associated companies, investments measured at FVOCI and financial assets held for sale) amounted to €1,132 million (i.e., 94.4% of the total consolidated assets). The materialisation of any of the foregoing risks could reduce the value and return of TIP's investment portfolio, which could have a material adverse effect on the operating profit, financial position and prospects of TIP.

Changes in the value of equities, bonds and other financial instruments may impact the value of TIP's assets and shareholders' equity

As at 30 September 2019, 50.8% of the consolidated book value of TIP's investment portfolio in equity related to consolidated direct investments in listed securities not qualifying as associated companies or in companies (not associated) that in turn, have invested in listed securities themselves. An additional 22.9% related to investments in associated companies listed or that, in turn, have invested in listed securities themselves. In addition as at 30 September 2019 TIP invested €39.7 million in listed bonds. The consolidated book value of the direct investments in listed companies not qualifying as associated companies and bonds is based on their market prices, whereas investments in associated companies are calculated applying the equity method and for investments in non-listed companies one of the methods used to value the shareholdings is based on multiples of comparable listed companies. Fluctuations in financial markets, including changes in interest rates, issuers' credit spreads, currencies and equity prices, could cause a significant change in the value of the listed securities in TIP's investment portfolio. A tightening of the monetary policy of the European Central Bank, or any other monetary authority, could thus lead to a decrease in the listed securities in which TIP has invested due to a combined effect of rising interest rates (likely to reduce the value of investments in bond funds) and possible declines in equity markets (likely to reduce the value of investments in equity). The value of TIP's assets could also be impacted by a lack of liquidity in the markets in general or in certain asset classes. Finally, adverse market changes would also affect the value of the investments made by TIP.

TIP may be negatively affected by adverse changes in the market price of its listed security investments. A decline in securities prices over a given period, especially at the end of the financial year, would be reflected in the financial statements as a decrease in the net value of the portfolio and consolidated shareholders' equity.

A 5% decline in the value of the investments in listed assets (equity and bonds) as of 30 September 2019 would have resulted in a decrease of consolidated shareholders' equity of €43.7 million as of 30 September 2019. A decrease in quoted prices is also likely to impact the earnings realized at the time of any sales of the relevant securities by TIP into the market.

Any material adverse developments in the financial markets or that, more generally, impact the value of the Group's investments could have a material adverse effect on the operating profit, financial position and prospects of TIP.

TIP is exposed to a risk of fluctuation in its results

TIP has experienced in the past and could experience in the future significant fluctuations in its results due to a number of factors affecting its investments activity, such as variations in the valuation of its assets, dividends or interest received, the timing of its realization of gains and losses, its level of indebtedness, and changes in macroeconomic and market conditions.

TIP's investment activity and strategy also present a risk of loss of the amounts invested, for example if the company in which the investment was made goes bankrupt or faces serious difficulties. No guarantee can be given as to the realization of profits from TIP's investments or even the recovery of sums invested or due. There can be no assurance that the investments made by TIP will generate profits, nor that the amounts committed by TIP in connection with its investments will be recovered, which could have a material adverse effect on the operating profit, financial position and prospects of TIP.

TIP is exposed to specific risks associated with holding minority stakes

In its investment activity, TIP invests as a minority shareholder. While TIP generally seeks to implement minority shareholder protective mechanisms such as robust information rights, representation on an administrative or supervisory body of the relevant company or veto rights with respect to certain management decisions and favourable exit terms, these mechanisms cannot ensure that it will in fact have access to all relevant information for the evaluation of its position and its selling or holding strategy, or that it will be able to exercise effective influence over important decisions (including regarding the distribution of dividends). In addition, to the extent that TIP takes minority equity interests, no assurance can be given that it will be able to fully protect its interests from the decisions of majority shareholders or the sponsors of its co-investments, which may have interests that diverge from or conflict with those of TIP, which could have a material adverse effect on the operating profit, financial position and prospects of TIP.

TIP is exposed to liquidity risk related to certain equity interests, in particular investments in unlisted companies

As part of its investment activity, TIP acquires stakes in companies whose shares are not listed on a public market. As at 30 September 2019, 35.6% of the consolidated book value of TIP's equity investment portfolio related to unlisted securities (including its unlisted associated companies regardless of whether they themselves invest in listed securities). These unlisted securities, together with certain securities held by TIP that may be listed but are relatively illiquid, give rise to liquidity risks, such that the recovery of amounts invested by TIP in, and the eventual recording of profits and capital gains on, such investments will generally occur several years after the investment is made (i.e. at the time of the sale, redemption or liquidation of the relevant investment). There can be no assurance, in either the case of unlisted securities or listed but illiquid securities, that TIP will be able to find purchasers willing to purchase such stakes, or that these securities will be listed on a stock exchange or otherwise achieve improved liquidity even if they are already listed. In such an event, it is possible that TIP might experience difficulties in realizing gains from all or part of its investments, whether as a result of timing or the terms of its exit from such positions. This could result in TIP facing limitations or obstacles to freeing amounts invested in such positions to make new investments and may accordingly hinder the implementation of its investment strategies, which could have a material adverse effect on the operating profit, financial position and prospects of TIP.

TIP's investments entail risks related to the valuation of these investments, which may differ from the value at which they may be sold

TIP conducts an analysis prior to each of its investments through its balance sheet (covering strategy, competitive context, financial plans, valuation, financial analysis, exit terms, social and environmental responsibility, quality of executive team, etc.), and then on a regular basis during the course of monitoring its investments. TIP incurs costs prior to making any investment in order to assess whether or not to invest and on what terms, which are not recovered in the event that TIP decides not to proceed with an investment. TIP relies on internal resources and external advice as needed. TIP estimates the intrinsic value of each of its investments based on its knowledge of the companies it invests in and the markets, and discloses these estimates in certain presentations that are published on its website which has an impact on other investors' valuations of TIP and TIP's share price.

TIP's calculation of analyst valuations and TIP's estimated intrinsic values of its investments are not IFRS measures and are not calculated based on IFRS financial information. TIP's calculations may differ from other companies in the industry. TIP's calculation of analyst valuations and TIP's estimated intrinsic values should not be considered in replacement of IFRS revenue or any other IFRS measure. TIP's calculation of analyst valuations and TIP's estimated intrinsic values are not necessarily indicative of the value of any investments (individually or in the aggregate), nor are they indicative of future valuations, and may subject to substantial fluctuations. As such, investors should not place undue reliance on TIP's calculation of analyst valuations or TIP's estimated intrinsic values.

With respect to the consolidated book value of the equity investments made by TIP (i.e. associated companies, investments measured at FVOCI and financial assets held for sale) recorded in TIP's consolidated financial statements (current and non-current), which amounted to €1,132 million (i.e., 94.4% of the total consolidated assets) as of 30 September2019, each investment in the portfolio is examined four times a year at the time of the preparation of financial statements, i.e., at 31 March, 30 June, 30 September and 31 December. These valuations are based mainly on the market price of the relevant securities if the holding is listed, or on a fair value approach in the case of non-listed securities (according to the multiples method, discounted cash flow method, or another specified method). Information is also obtained from the managers of the underlying assets (company executives, co-shareholders or co-investors, etc.).

With respect to the intrinsic value estimates reported in the presentations to investors published on TIP's website, such estimates are made on the basis of a number of factors including underlying economic parameters and TIP's knowledge of and experience in the markets.

While TIP prepares its valuations on the basis of what it believes to be accurate estimates and assumptions, there can be no assurance that such valuations will not be revised later. Such valuations may be complex or difficult to determine for certain instruments, subject to significant fluctuations (including the loss of the entire investment for particularly risky or volatile products) or be reliant on market data with limited or no observability that may make valuation difficult.

There can be no assurance that the implementation of TIP's valuation methods will ensure that TIP's investments are valued consistently with the value that would be obtained upon the sale of such holdings, which could have a material adverse effect on the operating profit, financial position and prospects of TIP.

TIP could be exposed to the risk of asset loss or concentration related to the composition of its investment portfolio

TIP's business and strategy entail a risk of loss of the amounts invested through its balance sheet. For example, there exists a risk of loss of the amounts committed if the Company in which the investment was made goes bankrupt or faces serious difficulties (related, for example, to economic downturns, increased competition, unanticipated technological breakthroughs, mistaken strategic decisions by management, loss of customers, adverse regulatory developments, etc.). Accordingly, no assurance can be given regarding the profitability of investments made by TIP, or that TIP will not lose amounts deployed through its balance sheet. Any such event could have a material adverse effect on the operating profit, financial position and prospects of TIP. This is true despite the fact that TIP's investment strategy is aimed to reduce the concentration risk both in terms of value of individual investment (as at 30 September 2019 the maximum book value of a single investment did not exceed 22 per cent. of the total book value of the equity portfolio) and in terms of industry (as at 30 September 2019 the maximum book value of the investments in a single industry did not exceed 37 per cent. of the total book value of the equity portfolio).

Risks relating to exit strategies

TIP's exit strategies in relation to its investments may be affected by a number of factors, which may not have been foreseeable at the time of making the investment. As such, there are not guarantees that TIP will be able to implement its exit strategy in respect of any particular investment in line with its expectations in terms of timing, method and/or conditions.

An exit may take longer than expected, and/or may be implemented with methods or conditions that are not satisfactory or profitable for the Issuer. In such event, TIP may not generate the gain expected from a particular investment, which could result in the investment generating less than the estimated intrinsic value or resulting in a loss, all of which have a material adverse effect on the operating profit, financial position and prospects of TIP.

Risk relating to TIP's club deal investment structures

TIP's investment activities are partly implemented with strategic co-investors comprising some of TIP's principal shareholders and/or advisory clients, put together by TIP to create a "club deal", where TIP remains the entity that negotiates and executes the investment.

In the context of club deal investments in listed and unlisted companies, in order to assess the investment opportunity, TIP's co-investors may receive confidential or non-public information relating to the company in which the potential investment is being negotiated.

TIP has a compliance policy aimed at governing information obligations of its managers towards TIP, the Italian securities regulator (Consob) and the market (an internal dealing code), as well as specific procedures to manage price sensitive information in accordance with applicable regulation, aimed at preventing any possible misuse of price sensitive information by co-investors. In addition, TIP's policy is that any co-investor involvement is subject to entering into confidentiality agreements.

The adjusted data included in this Prospectus have been presented to facilitate an understanding of TIP's results; they are not indicative of TIP's future performance and reliance on such data without understanding the limitations described below could lead to an incorrect assessment of TIP's results and financial position

This Prospectus contains adjusted income statements that have been adjusted to exclude the impact of IFRS 9 which entered into force on 1 January 2018 (the "**Adjusted Data**"). TIP publishes together with its financial statements under the heading "Pro Forma" as it believes that this presentation facilitates investors' understanding of TIP's results. The Adjusted Data is adjusted applying the same accounting standards for financial assets and liabilities in place at 31 December 2017 (IAS 39). The Adjusted Data does not constitute pro forma financial information for the purposes of Annex 20 of the Commission Delegated Regulation (EU) 2019/980, nor are they prepared pursuant to applicable accounting principles.

TIP has included the Adjusted Data in this Prospectus because TIP considers them more conducive to the proper understanding of its activities and that they provide better comparability against historical financial information.

With respect to the interpretation of the Adjusted Data, investors should note that:

- Adjusted Data differ significantly from the corresponding data that are included in or can be inferred from TIP's accounts, when compared to the values that would have resulted from the ordinary operations of its business during the relevant period. In particular the adjusted data accounted for the gain on divestments of equity investments in the income statement while in the accounts starting from 1 January 2018 applying IFRS 9 such gains have an impact on equity only;
- Adjusted Data are calculated exclusively on the basis of historical data and are not indicative of future performance;
- Adjusted Data may be inconsistent with data adopted by other companies/groups and, as such, may not be comparable; and
- Adjusted Data must be read in conjunction with TIP's financial information.

Use of the Adjusted Data without taking into account the limitations referenced above could lead investors to incorrectly assess the economic, equity and/or financial position and thus make an incorrect, non-advisable or inadequate investment decision.

The estimated intrinsic value and net intrinsic value have been prepared for illustrative purposes; they do not represent actual results or values and reliance on such data could lead to an incorrect assessment of TIP's financial position

This Prospectus includes certain financial information and alternative performance indicators calculated on the basis of scope of its investment portfolio (the "**Investment Portfolio**" and the related data, the **estimated "intrinsic value**" and "net intrinsic value").

More specifically, such information has been included in the Prospectus where a description of the Investment Portfolio is provided.

The estimated intrinsic value and the net intrinsic value are calculated by on the basis of a number of factors including underlying economic parameters and TIP's knowledge of and experience in the markets.

The intrinsic value estimated by Issuer's management is the analytical valuation performed by TIP for each investment, representing the Issuer's expectation in the medium-term according to the valuation methods recognised by international best practice, taking into account a medium-term outlook of the companies' fundamentals as well as the expected valorisation strategy.

Such analysis has been performed according to the valuation methods recognised by international best practice, taking into account the medium-term outlook of the portfolio companies' fundamentals as well as the expected valorisation strategy of each investment and without considering the volatility of the short-term market parameters (such as market multiples, interest rates, etc.)

The net intrinsic value (per share) estimated by Issuer's management is the intrinsic values of investments minus financial debts at a consolidated level.

The intrinsic value and consequently the net intrinsic value are calculated with consistent criteria over time.

These figures are included in order to illustrate the estimated intrinsic value of the Investment Portfolio and the net intrinsic value. The estimated intrinsic value and the net intrinsic value are not necessarily indicative of the value of any investments (individually or in the aggregate), nor are they indicative of future valuations, and may be subject to substantial fluctuations. The estimated intrinsic value has not been subject to any form of audit.

The estimated intrinsic value and the net intrinsic value have been drawn up merely for illustrative purposes and, therefore, do not represent and are in no way intended to represent TIP's actual results, or a prediction of TIP's future results.

This Prospectus contains alternative performance measures, which are not prepared according to any recognised accounting standard, are not audited or reviewed and may be compiled on a basis that is different to similarly titled measures reported by other companies

This Prospectus includes a number of alternative performance measures relating either to TIP or the companies in which TIP has invested ("**APMs**") that are not identified as accounting measures in the framework of the IFRS and, therefore, may not be comparable with those presented by other groups.

With reference to the interpretation of these APMs, investors should note that:

- these measures are calculated solely on the basis of historical data and are not indicative of future performance;
- the APMs are not required by international accounting standards (IAS/IFRS) and are not subject to auditing;
- the APMs must not be considered as substitutes for the indicators provided for under applicable accounting principles;
- the definitions of the indicators used by TIP or the companies in which TIP has invested, which are not governed by applicable accounting principles, may not be consistent among themselves or with those adopted by other companies/groups and are therefore not comparable with similarly titled measures used by other companies/groups; and

- TIP's APMs must be read together with the other financial information included in the Prospectus.

Therefore, examination of the APMs by an investor without taking into account the abovementioned critical issues could mislead such investor in the evaluation of the relevant entity's business, financial condition and results of operations and lead to an incorrect, inappropriate or inadequate decision by such investor.

2. **Risks associated with the general economic conditions**

TIP's earnings and financial position and those of its investments (or the companies in which they invested) are particularly influenced by the general state of the economy in the countries in which they operate and by the variables which affect performance, including increases or decreases in gross national product, access to credit, the level of consumer and business confidence, the cost of raw materials and the rate of unemployment. Many sectors of business are also subject to highly cyclical demand and tend to reflect the overall performance of the economy, in certain cases even amplifying the effects of economic trends.

In terms of severity, duration and scope, the recent financial crisis has caused the most severe economic recession of these last decades, both in the Eurozone and in a large part of the advanced economies. At present, economic growth and international trade are occurring at a moderate pace and irregularly across geographical areas.

Moreover, the evolution of world monetary and financial market conditions and the associated uncertainties, especially in emerging markets, could adversely affect present economic conditions.

The principal risks associated with a slowdown in the markets in which TIP's investments operate comprise increases in energy prices and fluctuations in raw materials or possible contractions in infrastructure spending. In addition, in the Eurozone, unemployment, although tending to stabilise, remains significant, and a slow or inefficient implementation of structural reforms and budget adjustments in the public and private sector will continue to hamper the pace of the recovery.

Furthermore, the United Kingdom's exit from the European Union, following the results of the 23 June 2016 referendum is currently the subject of international negotiations in order to determine the procedures for its implementation, the final results of which cannot yet be predicted. On the date of this Prospectus, a decision on how the United Kingdom will leave the European Union is expected by 31 January 2020 and there is the possibility that the United Kingdom will exit the European Union without a definitive or transitional agreement with the European Union. The possible outcomes and ultimate impact of the United Kingdom's exit from the European Union in macroeconomic terms are not foreseeable.

Additionally, the U.S. administration has introduced tariffs on various categories of goods, and threatened to introduce further tariffs; in response, the European Union, China and other jurisdictions have introduced tariffs on U.S. goods.

Such developments have introduced an elevated level of economic and policy uncertainty, which could cause financial and capital markets within and outside the U.S. and Europe to constrict, thereby negatively impacting TIP's ability to finance its business. It also could cause a substantial dip in consumer and business confidence and spending that could negatively impact the performance of the investments and fees for M&A assistance.

It is therefore not possible to provide an accurate indication of the future trends of the above factors and variables which could nevertheless adversely affect the demand for products and which could have a material adverse effect on the operating profit, financial position and prospects of TIP and its investments.

3. **Risks relating to legal proceedings and with the development and interpretation of tax regulations**

Risks relating to legal proceedings

Save as set out in the section "*Description of the Issuer – Litigation*", as at the date of this Prospectus the Issuer and the Consolidated Subsidiaries are not involved in pending legal proceedings nor they have received written notification threatening any legal proceeding. Notwithstanding the above, there can be no assurance that in the future the Issuer will not be a party to claims, lawsuits, governmental investigations and other legal proceedings including those that arise in the ordinary course of its business.

The Issuer is subject to income taxes in the Republic of Italy and, in the ordinary course of business, can be subject to audits by the Italian tax authorities. Although the Issuer believes its tax estimates are reasonable, any final determination of tax audits and any related litigation could have a material adverse effect on its net income in the relevant period or periods.

4. ***Risks and uncertainties associated with the development and interpretation of tax regulations***

The economic and financial activities of TIP and its affiliates make it subject to a variety of taxes and duties, resulting in the risk that the level of taxation to which they are subject may increase in the future. Any such increase in the level of taxation, or the introduction of new taxes, to which TIP and its principal subsidiaries and affiliates may be subject, could have a material adverse effect on the operating profit, financial position and prospects of TIP.

5. **Risks relating to the Issuer's management, reputation and the competitive environment in which it operates**

Risks relating to the loss of key management figures

The success of TIP and its investment strategy depends to a large extent on the abilities of its own senior executives and of the other components of the management team to efficiently manage TIP and its investments. If TIP should lose the contribution of key executives (including Giovanni Tamburi, Alessandra Gritti and Claudio Berretti), this could have a material adverse effect on the operating profit, financial position and prospects of TIP and its investments.

Any damage to TIP's reputation could be detrimental to the strength of its business, lead to liabilities and/or lead to a decrease in its assets under management, revenue and earnings

The integrity of the brand and reputation of TIP is critical to attracting and retaining clients, business partners and employees. TIP's reputation could be tarnished by certain key factors such as a low return on its investments, litigation, regulatory action, misconduct or infringement of applicable laws or regulations by its managers. Operational staff make daily decisions and TIP's reputation could also suffer and it could be held accountable to investors, as well as from a regulatory standpoint, should the procedures and risk management systems implemented to prevent and/or mitigate such risks fail to identify, record and manage such errors, negligence or illegal or unauthorized activity. And such failure could have a material adverse effect on the reputation, business, earnings and financial position of TIP. The negative publicity that would result from the occurrence of any of these events could also damage the reputation of TIP, generating a risk of regulatory sanctions and harm its relations with its current and potential investors. Any damage to the “TIP” brand would adversely affect TIP’s position in its markets and could result in a loss of business in the short and long term, which could have a material adverse effect on the operating profit, financial position and prospects of TIP.

TIP may lose investors because of low returns on its investments, which would negatively impact its assets, its revenue and its results of operations

The return generated by TIP investments is critical to its commercial success, and determines the ability of TIP to attract and retain investors. The performance levels achieved by TIP in the past do not guarantee the level of future performance. In addition, TIP may not be able to sustain its level of performance over time. TIP’s results and performance levels could differ significantly for several reasons from those achieved by TIP in the past (in particular due to macroeconomic factors, the performance of new investments compared to that of past or existing investments, market conditions, investments made or investment opportunities). In all such cases, the reputation of TIP and its ability to attract new investment could also be affected, and the negative impact could have a material adverse effect on the operating profit, financial position and prospects of TIP.

Risks relating to the competitive environment

Through its investments, the Issuer operates in businesses which are intensely competitive. TIP competes on the basis of a number of factors, including brand recognition, transaction execution, innovation, reputation and price. Many of the competitors have significant financial resources, experience and marketing strength, and may have the ability to offer a wide range of products and services, some at more competitive pricing due to being part of larger multinational advisory platforms, and introduce innovative products or services, which may enhance their competitive position. Should TIP fail to provide a competitive offering, this could have a material adverse effect on the operating profit, financial position and prospects of TIP.

Fraud or circumvention of control and compliance procedures and risk management policies could have an adverse effect on the reputation, performance and financial position of TIP

TIP has a compliance policy aimed at governing information obligations of its managers towards TIP, the Italian securities regulator (Consob) and the market (an internal dealing code), as well as specific procedures to manage price sensitive information in accordance with applicable regulation (including market abuse regulation), aimed at preventing any possible misuse of price sensitive information.

In addition, TIP’s investment activities are partly implemented with strategic co-investors comprising some of TIP’s principal shareholders and/or advisory clients, put together by TIP to create a “club deal”, where TIP remains the entity that negotiates and executes the investment. In the context of club deal investments in unlisted companies, in order to assess the investment opportunity, TIP’s co-investors may receive confidential or non-public information relating to the company in which the potential investment is being negotiated. TIP’s policy is that any co-investor involvement is subject to entering into confidentiality agreements.

TIP cannot guarantee that the controls, procedures, policies and systems that it has established will identify and successfully manage all internal and external risks to its operations. TIP is exposed to the risk that its employees, counterparties or other third parties may deliberately seek to circumvent the controls established by TIP, or otherwise commit fraud or act contrary to the policies and procedures set up by TIP, in addition to any legal or applicable regulations, particularly in relation to money laundering, corruption, or sanctions. Any violation or circumvention of such checks, policies, procedures, laws or regulations, as well as any fraud committed or conflicts of interest, real or perceived, could have a material adverse effect on the TIP's reputation, result in regulatory investigations and lead to regulatory penalties, criminal sanctions or financial losses.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE BONDS

1. Risks relating to the Structure of the Bonds

The Bonds are fixed rate securities and are vulnerable to fluctuations in market interest rates

The Bonds will carry fixed interest. A holder of a security with a fixed interest rate is exposed to the risk that the price of such security falls as a result of changes in the current interest rate on the capital market (the "**Market Interest Rate**"). While the nominal interest rate of a security with a fixed interest rate is fixed during the life of such security or during a certain period of time, the Market Interest Rate typically changes on a daily basis. As the Market Interest Rate changes, the price of such security changes in the opposite direction. If the Market Interest Rate increases, the price of such security typically falls, until the yield of such security is approximately equal to the Market Interest Rate. Conversely, if the Market Interest Rate falls, the price of a security with a fixed interest rate typically increases, until the yield of such security is approximately equal to the Market Interest Rate. Investors should be aware that movements of the Market Interest Rate could adversely affect the market price of the Bonds.

The Bonds are unsecured

The Bonds will be (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer. In the event of any insolvency or winding-up of the Issuer, the Bonds will rank equally with the Issuer's other unsecured senior indebtedness. The Bonds are unsecured and, although they restrict the giving of security by the Issuer and the Material Group Companies over Relevant Indebtedness and guarantees in respect of such Relevant Indebtedness a number of exceptions apply, as more fully described in Condition 4 (*Negative Pledge*). Where security has been granted over assets of the Issuer to secure indebtedness, in the event of any insolvency or winding-up of the Issuer, such secured indebtedness will rank in priority over the Bonds and other unsecured indebtedness of the Issuer in respect of such assets.

Modification, waivers and substitution

The conditions of the Bonds and the Trust Deed contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The conditions of the Bonds also provide that the Trustee may in certain circumstances, without the consent of Bondholders or Couponholders, agree to (i) any modification of any of the Conditions or any of the provisions of the Trust Deed, which, in the opinion of the Trustee, is formal, minor or technical nature or is made to correct a manifest error or an error which is, in the opinion of the Trustee, proven or (ii) any modification of, or to the waiver or authorisation of any breach or proposed breach of, any of the provisions of the Conditions or the Trust Deed or determine that any Event of Default or potential Event of Default shall not be treated as such provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders or (iv) the substitution of another company as principal debtor under the Bonds in place of the Issuer, in the circumstances described in Condition 12(d) (*Meetings of Bondholders, Modification, Waiver and Substitution – Substitution*).

The effect of the above provisions is that a Bondholder may be unable to prevent certain modifications, waivers and substitutions that might be disadvantageous to that Bondholder from being made in respect of the Bonds in accordance with the conditions of the Bonds.

Bondholders' meeting provisions may change by operation of law or because of changes in the Issuer's circumstances

The provisions relating to Bondholders' meetings (including quorums and voting majorities) are subject to compliance with certain mandatory provisions of Italian law, which may change during the life of the Bonds. In addition, as currently drafted, the rules concerning Bondholders' meetings are intended to follow mandatory provisions of Italian law that apply to Bondholders' meetings where the issuer is an Italian company. In addition, certain Bondholders' meeting provisions could change as a result of amendments to the Issuer's By-laws. Accordingly, Bondholders should not assume that the provisions relating to Bondholders' meetings contained in the Trust Deed and summarised in the Conditions will correctly reflect mandatory provisions of Italian law applicable to Bondholders' meetings at any future date during the life of the Bonds.

Redemption prior to maturity

In the event that the Issuer would be obliged to increase the amounts payable in respect of any Bonds due to any withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of the Republic of Italy or any political subdivision thereof or any authority therein or thereof having power to tax, the Issuer may, pursuant to Condition 6(b) (*Redemption and Purchase – Redemption for taxation reasons*), redeem all outstanding Bonds in accordance with the Conditions. In addition, the Issuer may elect to redeem the Bonds (i) in whole at any time at the Make Whole Amount pursuant to Condition 6(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), (ii) in whole at their principal amount at any time following a Substantial Purchase Event pursuant to Condition 6(d) (*Redemption and Purchase – Redemption following a Substantial Purchase Event (Clean-Up Call)*), or (iii) in whole at their principal amount at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date pursuant to Condition 6(f) (*Redemption and Purchase – Redemption at the option of the Issuer (Issuer Maturity Par Call)*), in each case together with accrued interest. In each case, the Bonds would be redeemed prior to their scheduled Maturity Date.

Furthermore, the option for the Issuer to redeem the Bonds in part at any time, as provided in Condition 6(c) (*Redemption and Purchase – Redemption at the option of the Issuer*), is likely to limit the market value of the Bonds. The market value of the Bonds generally will not rise substantially above the price at which they can be redeemed. The Issuer may be expected to redeem Bonds when its cost of borrowing is lower than the interest rate on the Bonds. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Bonds being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

Change of Control

Upon the occurrence of a Change of Control relating to the Issuer, as set out in Condition 6(d) (*Redemption and Purchase – Redemption at the option of Bondholders upon a Change of Control*), under certain circumstances the Bondholders will have the right to require the Issuer to redeem all outstanding Bonds at 100 per cent. of their principal amount. However, it is possible that the Issuer will not have sufficient funds at the time of the Change of Control to make the required redemption of Bonds. If there are not sufficient funds for the redemption, Bondholders may receive less than the principal amount of the Bonds should they elect to exercise such right. Furthermore, if such provisions were exercised by the Bondholders, this might adversely affect the Issuer's financial position.

Definitive Bonds will not be issued in integral multiples of less than €100,000

The denomination of the Bonds is €100,000 and integral multiples of €1,000 in excess thereof. Therefore, it is possible that the Bonds may be traded in amounts in excess of €199,000 that are not integral multiples of €1,000. In such a case a Bondholder who, as a result of trading such amounts, holds a principal amount of less than €100,000 in his account with the relevant clearing system at the relevant time will not receive a definitive Bond in respect of such holding (should definitive Bonds be printed) and would need to purchase a principal amount of Bonds such that it holds an amount equal to at least the minimum denomination.

If definitive Bonds are issued, holders should be aware that definitive Bonds which have a denomination that is not an integral multiple of €100,000 may be illiquid and difficult to trade.

Change of law or administrative practice

The terms and conditions of the Bonds are based on English law in effect as at the date of this Prospectus, save that provisions convening meetings of Bondholders and the appointment of a Bondholders' Representative are subject to compliance with mandatory provisions of Italian law. No assurance can be given as to the impact of any possible judicial decision or change to English law and/or Italian law (where applicable) or administrative practice after the date of this Prospectus.

2. **Risks relating to the Taxation Regime applicable to the Bonds**

Payments in respect of the Bonds may in certain circumstances be made subject to withholding or deduction of tax

All payments in respect of Bonds will be made free and clear of withholding or deduction of Italian taxation, unless the withholding or deduction is required by law. In that event, the Issuer will pay such additional amounts as will result in the Bondholders receiving such amounts as they would have received in respect of such Bonds had no such withholding or deduction been required. The Issuer's obligation to gross up is, however, subject to a number of exceptions, including withholding or deduction of *imposta sostitutiva* (Italian substitute tax), pursuant to Italian Legislative Decree No. 239 of 1 April 1996 a brief description of which is set out below.

Prospective purchasers of Bonds should consult their tax advisers as to the overall tax consequences of acquiring, holding and disposing of Bonds and receiving payments of interest, principal and/or other amounts under the Bonds, including in particular the effect of any state, regional or local tax laws of any country or territory. See also the section headed "*Taxation*" below.

Imposta sostitutiva

Imposta sostitutiva (Italian substitute tax) is applied to payments of interest and other income (including the difference between the redemption amount and the issue price) at a rate of 26 per cent. to (i) certain Italian resident Bondholders and (ii) non-Italian resident Bondholders who have not filed in due time with the relevant depository a declaration (*autocertificazione*) stating, *inter alia*, that he or she is resident for tax purposes in a country which allows for an adequate exchange of information with the Italian tax authorities.

Tax-related risks relating to the Bonds being de-listed

No assurance can be given that the listing of the Bonds will be maintained or that such listing will satisfy the listing requirement under Decree No. 239/1996 in order for the Bonds to be eligible to benefit from the exemption from the requirement to apply withholding tax. If the Bonds are not listed or that listing requirement is not satisfied, payments of interest, premium and other income with respect to the Bonds would be subject to a withholding tax currently at a rate of 26 percent.

The tax regime in Italy and in any other relevant jurisdiction (including, without limitation, the jurisdiction in which each holder of the Bonds is resident for tax purposes) may be relevant to the acquiring, holding and disposing of Bonds and the receiving of payments of interest, principal and/or other income under the Bonds. Prospective investors in the Bonds should consult their own tax advisers as to which countries' tax laws could be relevant and the consequences of such actions under the tax laws of those countries. For further information on the principal Italian tax consequences of the purchase, ownership, redemption and disposal of the Bonds, see the section entitled "*Taxation*" below.

3. **Risks Related to the Market Generally**

The secondary market generally

The Bonds will have no established trading market when issued, and one may never develop. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Bonds easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. The development or continued liquidity of any secondary market for the Bonds will be affected by a number of factors such as the creditworthiness of the Issuer, as well as other factors such as the time remaining to the maturity of the Bonds and the outstanding amount of the Bonds. Such factors also will affect the market value of the Bonds. Investors may not be able to sell Bonds readily or at prices that will enable investors to realise their anticipated yield. No investor should purchase Bonds unless the investor understands and is able to bear the risk that the Bonds may not be readily sellable, that the value of Bonds will fluctuate over time and that such fluctuations might be significant.

Transfers of the Bonds may be restricted, which may adversely affect the secondary market liquidity and/or trading prices of the Bonds.

The ability to transfer the Bonds may also be restricted by securities laws or regulations of certain countries or regulatory bodies. See "*Subscription and Sale*". The Bonds have not been, and will not be, registered under the Securities Act or any state securities laws or the securities laws of any other jurisdiction. Bondholders may not offer the Bonds in the United States or for the account or benefit of a U.S. person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. It is the obligation of each Bondholder to ensure that offers and sales of Bonds comply with all applicable securities laws. In addition, transfers to certain persons in certain other jurisdictions may be limited by law, or may result in the imposition of penalties or liability. For a description of restrictions which may be applicable to transfers of the Bonds, see "*Subscription and Sale*".

The Bonds are not rated and credit ratings may not reflect all risks.

Neither the Bonds nor the long-term debt of the Issuer is rated. To the extent that any credit rating agencies assign credit ratings to the Bonds or any other senior unsecured indebtedness of the Issuer, such 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 Bonds. A credit rating or the absence of a rating is not a recommendation to buy, sell or hold Bonds and may be revised or withdrawn by the rating agency at any time.

Delisting of the Bonds

Application has been made for the Bonds to be admitted to trading on the Euro MTF Market and to be listed on the Official List of the Luxembourg Stock Exchange. The Bonds may subsequently be delisted despite the best efforts of the Issuer to maintain such listing and, although no assurance is made as to the liquidity of the Bonds as a result of listing, any delisting of the Bonds may have a material effect on a Bondholder's ability to resell the Bonds on the secondary market.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing and (iii) other restrictions apply to the purchase or pledge of any Bonds. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

Exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in euros. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than euros. These include the risk that exchange rates may significantly change (including changes due to devaluation of euros or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to euros would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest rate risks

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds.

Investors in the Bonds must rely on Euroclear and Clearstream procedures

The Bonds will be represented on issue by a Global Bond that will be deposited with a common safekeeper on behalf of Euroclear Bank and Clearstream, Luxembourg. Except in the circumstances described in the Global Bond, investors will not be entitled to receive definitive Bonds. Euroclear and Clearstream, Luxembourg and their respective participants will maintain records of the beneficial interests in the Global Bond. While the Bonds are represented by the Global Bond, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and their respective participants.

The Issuer will discharge its payment obligations under the Bonds by making payments to or to the order of the common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in the Global Bond must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Bonds. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Bond. Holders of beneficial interests in the Global Bond will not have a direct right to vote in respect of the Bonds. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies. Similarly, holders of beneficial interests in the Global Bond will not have a direct right under the Global Bond to take enforcement action against the Issuer in the event of a default under the Bonds but will have to rely upon their rights under the Trust Deed.

DESCRIPTION OF THE ISSUER

Tamburi Investment Partners S.p.A. (in abbreviated form "**T.I.P. S.p.A.**" or "**TIP S.p.A.**", the "**Issuer**" or "**TIP**") is a joint stock company (*società per azioni*) organized under the laws of Italy listed on the *Mercato Telematico Azionario* managed by Borsa Italiana S.p.A. ("**MTA**") STAR segment.

TIP is registered in the Milan, Monza, Brianza and Lodi companies' register of the Chamber of Commerce (*Camera di Commercio*) under registration number 10869270156.

The registered office of the Issuer is at Via Pontaccio 10, 20121 Milano, Italy and its main telephone number is (+39) 02/8858801.

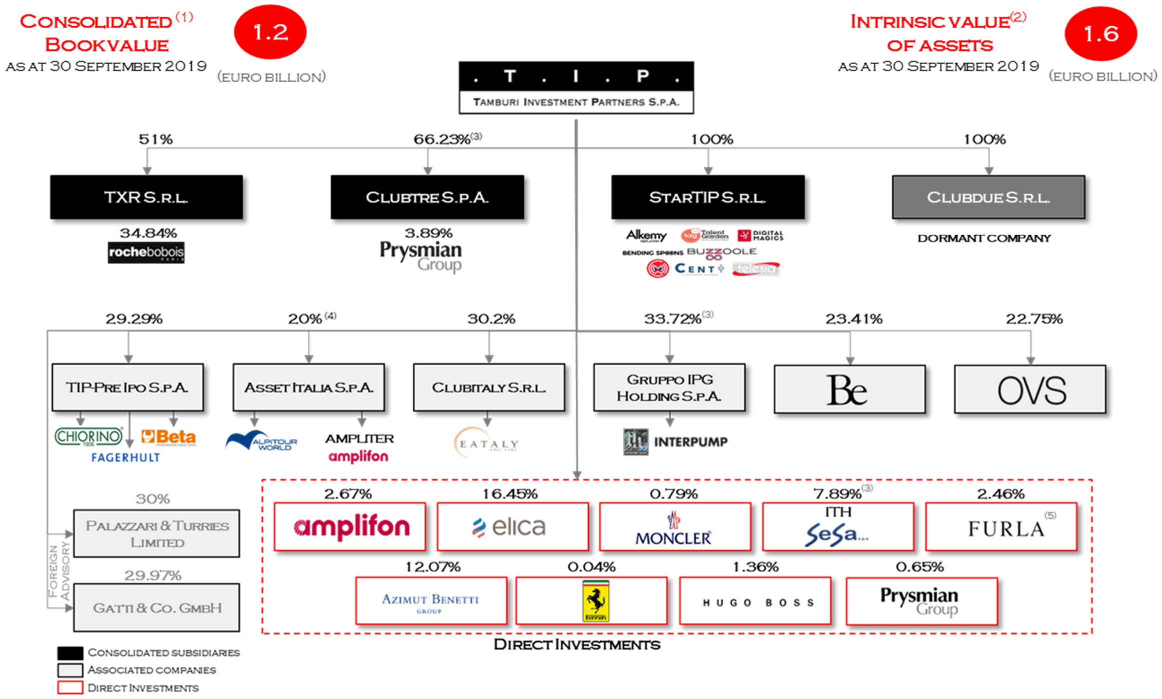
TIP is an investment company and, pursuant to its by-laws, the corporate purpose of TIP is to acquire, excluding *vis-à-vis* the public, equity investments and interests or acquire, hold and manage rights, whether or not represented by securities, in other companies and entities. TIP may also provide advisory services on financial structure, industrial strategy and related matters, as well as advice and services in connection with merger and acquisition of companies.

According to the Issuer's by-laws, its duration is until 31 December 2050, unless extended in accordance with applicable Italian laws. The Legal Entity Identifier ("**LEI**") of the Issuer is 81560017CF8066680595 and its website address is www.tipspa.it. Neither the content of the website nor the content of any website accessible from hyperlinks on the website is incorporated into, or forms part of, this Prospectus.

TIP's principal activities consist in:

- minority investment activities, both directly and through dedicated vehicles ("club deals"), focused on listed and unlisted "excellent" companies in leadership positions nationally and/or worldwide and, with regard to the StarTIP project (see "— *History and Development*" for further information), in innovative companies; and
- M&A and corporate finance advisory activities - through the division "Tamburi & Associati" - mainly targeted to the needs of mid-size companies and entrepreneurial families.

The following chart shows the main investments held - directly or through dedicated vehicles - by TIP as of 30 September 2019.



(1) Based on TIP quarterly consolidated financial report as at 30 September 2019.

(2) Intrinsic value: the analytical valuation performed by TIP for each investment, representing the Issuer's expectation in the medium-term according to the valuation methods recognised by international best practice, taking into account a medium-term outlook of the companies' fundamentals as well as the expected valorisation strategy.

(3) On a fully diluted basis.

(4) Not including tracking shares.

(5) In October 2019 TIP reached an agreement with Bloom Holding S.r.l. (the company controlling Furla S.p.A.) to sell the Furla S.p.A. shares owned by TIP (and resulting from the conversion of the convertible bond subscribed by TIP in 2016) for €35 million.

The following table shows the principal investments held - directly or through dedicated vehicles - by TIP as of 30 September 2019 with the indication of the relevant combined holding (on a look-through basis) and segment.

Investment	**Direct / through a dedicated vehicle**	**Holding as of 30 September 2019**	**Segment**
Alkemy S.p.A.	Through StarTIP S.r.l.	7.58%	Technology and innovation
Alpitour	Through Asset Italia 1	19.93%	Health Tourism and silver age
Amplifon S.p.A.	Direct	2.67%	Health Tourism and silver age

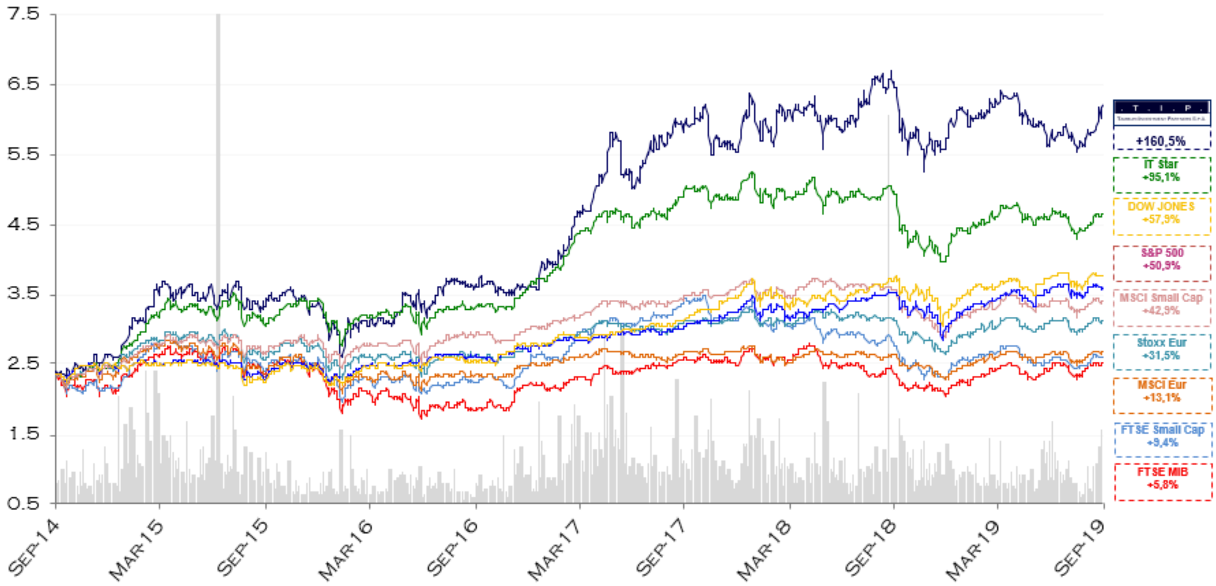
	Through Asset Italia 2	0.55%	
	Total	3.22%	
Azimut Benetti S.p.A.	Direct	12.07%	Luxury and design
BE Think, Solve, Execute S.p.A.	Direct	23.41%	Technology and innovation
Bending Spoons S.p.A.	Through StarTIP S.r.l.	2.37%	Technology and innovation
Beta Utensili S.p.A.	Through TIPO	6.44%	Technology and innovation
Buzzoole Holding Ltd,	Through StarTIP S.r.l.	32.48%	Technology and innovation
Digital Magics S.p.A.	Through StarTIP S.r.l.	22.72%	Technology and innovation
Eataly Distribuzione S.r.l.	Through Clubitaly S.p.A.	5.96%	Retail, fashion and high end food
Elica S.p.A.	Direct	16.45%	Luxury and design
Fagerhult AB	Through TIPO	0.57%	Technology and innovation
Ferrari N.V.	Direct	0.04%	Luxury and design
Furla S.p.A.	Direct	2.46%	Retail, fashion and high end food
Hugo Boss AG	Direct	1.36%	Retail, fashion and high end food
Interpump Group S.p.A.	Through Gruppo IPG Holding S.p.A.	7.87%(1)	Technology and innovation
Moncler S.p.A.	Direct	0.79%	Luxury and design
OVS S.p.A.	Direct	22.75%	Retail, fashion and high end food
Prysmian S.p.A.	Direct	0.65%	Technology and innovation
	Through Clubtre S.p.A.	2.58%(1)	
	Total	3.23%	
Roche Bobois S.A.	Through TXR S.r.l.	17.77%	Luxury and design
Sant'Agata S.p.A. - Chiorino Group	Through TIPO	5.86%	Technology and innovation
Sesa S.p.A.	Through ITH S.p.A.	7.89%(1)	Technology and innovation
Talent Garden S.p.A.	Through StarTIP S.r.l.	19.15%	Technology and innovation
Telesia S.p.A.	Through StarTIP S.r.l.	13.14%	Technology and innovation

(1) On a fully diluted basis

TIP believes it represents a partner with attractive characteristics for both entrepreneurs and the companies in which it invests, including:

- a large network of Italian entrepreneurs, including more than 100 family offices with decades of industrial experience in its country and internationally;
- independence from financial institutions and large groups;
- an investment portfolio of companies TIP believes are leaders in their respective sectors constituting a diversified portfolio of investments which TIP believes generally present a low risk profile (see "*The Investment Portfolio*" for further information);
- permanent capital and medium-long term investment horizon, resulting in investment enhancement path in common interest with the entrepreneur, rather than imposing exits within a predefined time horizon;
- very limited leverage;
- an understanding of the dynamics characterising family businesses and experience in simplifying governance to enable participation of TIP as investor while family entrepreneurs maintain operational control;
- a team of professionals with over thirty years of experience and focused on creating value, able to interact effectively with entrepreneurs, companies, banks and professionals in the field of corporate finance, making processes streamlined and fast. The team of executive directors is stable since incorporation.

The five-year TIP share chart set out below (as at and for the period ended 30 September 2019) highlights the performance of TIP shares, up 160.5%, outperforming many Italian and international indexes (with a low level of volatility (historical beta < than 1)); the total return(1) for TIP shareholders over the five years was 175.7% (annual average of 35.1%).

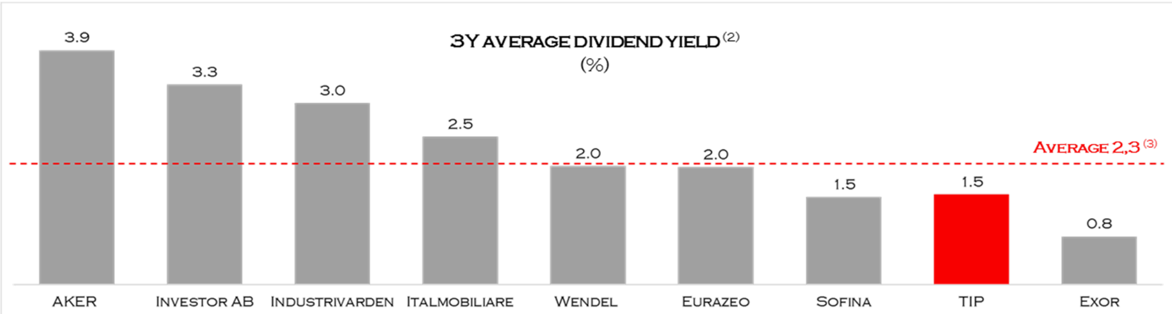


Source: TIP data processing based on Bloomberg data as at 30 September 2019

(1) The total return is calculated taking into consideration the performance of TIP shares, the dividends distributed and the performance of the TIP 2015-2020 warrant.

TIP was the best performer among comparable holding companies in terms of share performance during the five year period ended 30 September 2019. The relatively low dividend yield of TIP is aimed at maintaining more financial resources to be invested.

Ranking Performance 5 Y[1]		
1	T.I.P.	160%
2	Sofina	136%
3	Aker	133%
4	Exor	103%
5	Investor AB	90%
6	Industrivarden AB	69%
7	Italmobiliare	62%
8	Eurazeo SE	53%
9	Wendel SA	43%



Source: TIP data processing based on Bloomberg data as at 30 September 2019

(1) Ranking performance 5Y: is a ranking of the stock percent change in price over the last 5 years starting from 30.9.2019; the formula used in the calculation is: (closing price as at 30.9.2019 - closing price 30.9.2014) / closing price 30.9.2014 percent.

(2) Average dividend yield: is a measure calculated, on a daily basis, directly by Bloomberg.

(3) Average: is the average number of the "3Y Average Dividend Yield" reported in the graph.

LEVERAGE

The company has historically made very limited use of leverage as indicated in the table below showing the ratio between the net financial position and the total equity, the total asset and the Intrinsic Value respectively as of 31 December 2015, 31 December 2016, 31 December 2017, 30 June 2018, 31 December 2018, 30 June 2019 and 30 September 2019.

	31/12/2015	31/12/2016	31/12/2017	30/06/2018	31/12/2018	30/06/2019	30/09/2019
NET FINANCIAL POSITION	177,441,411	199,179,919	115,634,465 (1)	75,664,862	140,524,204	138,024,439	293,045,885 (2)
TOTAL EQUITY	449,342,485	437,076,704	647,491,594	748,855,406	666,351,766	782,688,531	842,029,049 (3)
TOTAL ASSET	688,499,900	659,358,912	833,982,334	951,597,120	882,443,625	967,622,407	1,199,142,662 (3)
INTRINSIC VALUE (4)	895,366,637	897,660,000	1,147,940,000	1,272,340,000	1,292,160,000	1,383,620,000	1.589.380.769
NET FINANCIAL POSITION/TOTAL EQUITY	39.5%	45.6%	17.9%	10.1%	21.1%	17.6%	34.8%
NET FINANCIAL POSITION/TOTAL ASSET	25.8%	30.2%	13.9%	8.0%	15.9%	14.3%	24.4%
NET FINANCIAL POSITION / INTRINSIC VALUE (1)	19.82%	22.2%	10.1%	5.9%	10.9%	10.0%	18.4%

(1) In 2017 the net financial position improved principally as a result of the liquidity received following the exercise of the warrants in June 2017, of approximately €50.9 million
(2) Includes the margin loan of a nominal value of €99.1 million of Clubtre
(3) Includes the effects of the variation of the consolidation area with the inclusion of Clubtre
(4) Intrinsic value: the analytical valuation performed by TIP for each investment, representing the Issuer's expectation in the medium-term according to the valuation methods recognised by international best practice, taking into account a medium-term outlook of the companies' fundamentals as well as the expected valorisation strategy (see the table entitled "Portfolio Intrinsic Value by Industry" below and see also: "*Risk Factors – The estimated intrinsic value has been prepared for illustrative purposes; they do not represent actual results or values and reliance on such data could lead to an incorrect assessment of TIP's financial position*").

In 2017 the net financial position improved principally as a result of the liquidity received following the exercise of the warrants in June 2017, of approximately €50.9 million.

The TIP Group consolidated net debt – also taking into account the €100,000,000 4.75% bond due 2020 issued by TIP in April 2014 – at 30 September 2019 was approximately €293.0 million, compared to approximately €140.5 million at 31 December 2018. The increase in the net financial position is mainly due to the substantial investments carried out in that period and the variation of the consolidation area with the inclusion of the margin loan of a nominal value of €99.1 million of Clubtre.

The composition of the net financial position at 30 September 2019 compared with 31 December 2018 is illustrated in the table below.

€		**30 September 2019**	**31 December 2018**
A	Cash and cash equivalents	2,101,574	1,812,728
B	Current financial assets measured at FVOCI	39,706,091	45,236,977
C	Current financial receivables	538,205	9,519,333
D	**Liquidity (A+B+C)**	**42,345,870**	**56,569,038**
E	Financial payables	(165,664,344)	(99,555,086)

F	Non-current lease liabilities	(1,184,380)	-
G	Current financial liabilities	(168,543,031)	(97,538,156)
H	**Net financial position (D+E+F+G)**	**(293,045,885)**	**(140,524,204)**

As of 30 September 2019, financial payables comprise:

- €99,080,102 to a margin loan of the subsidiary Clubtre S.p.A. of a nominal amount of € 99,100,000 expiring on 16 December 2020 guaranteed by a pledge on all the 10,428,436 Prysmian shares owned by Clubtre, representing 3.89% of Prysmian share capital, recognised at amortised cost applying an effective interest rate which takes account of the settlement costs incurred to obtain the loan;
- €64,702,692 to a medium/long-term loan of a nominal value of €65,000,000 with Banco BPM S.p.A., repayable on maturity of 30 June 2022, recognised at amortised cost applying an effective interest rate which takes account of the settlement costs incurred to obtain the loan. Against the granting of this new loan, two existing loans with maturity in 2019 for an amount of approximately €32.9 million were settled;
- €1,881,550 to the long-term portion of the deferred quota of a payment related to the consideration for the acquisition of a participation.

As of 30 September 2019, the current financial liabilities comprise:

- €99,810,568 of the €100,000,000 4.75% bond due 2020 approved by the Board of Directors on 4 March 2014, placed in April 2014, nominal value of €100,000,000. The bond, with an initial rights date of April 14, 2014 and expiry date of April 14, 2020 was issued at par value and offers an annual coupon at the nominal gross fixed rate of 4.75%. The bond was recognised at amortised cost applying the effective interest rate which takes into account the transaction costs incurred for the issue of the loan of €2,065,689;
- the related interest matured on the bond of €2,199,316;
- €66,533,147 bank overdraft on current account lines.

Associated companies do not have medium term financial debt except for IPG Holding S.p.A., a company controlled by the Montipò Family, that holds 23.34% of Interpump Group S.p.A. and has a margin loan of a nominal amount of €100,000,000, expiring on 13 December 2021 guaranteed by a pledge over 10 million Interpump shares out of 25,406,799 shares held by IPGH.

The Issuer with normal revenues, excluding disposals cash-in, has always covered operational costs as highlighted in the table below.

€	FY 2015	FY 2016	FY 2017	FY 2018	9M 2019
Revenues [1]	4,129,512	12,412,926	7,213,694	11,036,008	6,128,395
Dividends received	3,112,334	3,891,048	5,239,455	10,285,931 [2]	5,479,023
Total income [3]	7,241,846	16,303,974	12,453,149	21,321,939	11,607,418
Operating costs [4]	3,738,769	4,137,645 [5]	3,878,127	4,540,382	3,335,855

[1] *Including "revenues from sales and services" related to advisory and "other revenues"*

[2] *Affected by extraordinary dividends of € 5.8 million received from Roche Bobois Groupe*

[3] *Sum of "Revenues" and "Dividends received"*

[4] *Operating costs include "Purchases, service and other costs", "Amortisation, depreciation" and "Personnel expenses", net of "Directors compensations"*

[5] *Does not include an extraordinary cost, included in "personnel costs", of € 5.7 million relating to the assignment of 3,500,000 options*

HISTORY AND DEVELOPMENT

The Issuer was incorporated under Italian law on 2 February 1993 as a limited liability company under the name "G. Tamburi S.r.l.". On 2 February 2000 the Issuer's name was changed to "Web Equity S.r.l.". On 9 March 2000, the Issuer was transformed from a limited liability company (*società a responsabilità limitata*) to a joint stock company (*società per azioni*) thus changing its corporate name into "Web Equity S.p.A.". On 16 May 2003 the Issuer name was changed to "Tamburi Investment Partners S.p.A." or, in short form, "T.I.P. S.p.A.". The shareholders' meeting of the Issuer held on 29 June 2005, without prejudice to the above-mentioned names, resolved to add another short form name, "TIP S.p.A."

TIP was created to invest in medium size companies to help them in the acceleration of growth. Investment activities started with a capital of around 65 billion Italian lire (the equivalent of approximately €33 million), provided by about 70 shareholders, almost all entrepreneurs. In 2002 TIP started investing in companies listed on the Italian Stock Exchange.

In 2003 TIP increased its share capital, collecting additional resources in the amount of approximately €44 million and expanded its shareholder base to include more than 30 new investors. In the same year, TIP completed the integration of Tamburi & Associati (T&A) to include the advisory activities division within the Issuer, enabling TIP to approach medium-sized companies both as an "equity provider" (minority investor for development) and as a "corporate finance service provider" (advisor for M&A / Corporate Finance transactions). Over the years that followed, TIP shifted the focus of investments towards larger companies and listed companies.

The Issuer was listed on 9 November 2005 and from December 2010, Borsa Italiana S.p.A. TIP shares have been admitted to trading in the STAR segment.

In 2014 TIP diversified its investment activity by launching a project dedicated to medium-sized companies looking to list on a stock exchange in the medium term. A special vehicle, TIP-Pre Ipo S.p.A. ("**TIPO**") was created in which TIP holds 29.9 per cent. alongside other shareholders, including a number of family offices, with total available capital to be invested at the time of its creation amounting to €140 million. TIPO focuses on investments in companies with a turnover below €200 million. TIPO has not incurred any indebtedness.

In 2016, TIP expanded its investment activity through the creation of the "Asset Italia" investment project, dedicated to larger companies. A special vehicle, Asset Italia S.p.A. ("**Asset Italia**"), was created in which TIP holds 20.0 per cent. alongside other shareholders, including approximately 30 family offices, with total available capital to be invested at the time of its creation amounting to €550 million. Asset Italia focuses on investments in companies with a turnover exceeding €200 million, with shareholders in Asset Italia given the opportunity to assess each investment before participating in a new investment, using a "club deal" format (with TIP required to participate in all investments). On each new investment, participating shareholders are allocated special “tracking shares” which in the future will be converted into Asset Italia shares reflecting the change in value of the relevant investment. At the end of its investment activity, Asset Italia shares are expected to be contributed into TIP, in exchange for TIP ordinary shares, such that the investments held indirectly through Asset Italia at that time will be held directly by TIP.

In 2017 TIP consolidated its existing investment activity in the digital and innovation segment. A special vehicle, StarTIP S.r.l. (“**StarTIP**”), was created to exploit the segments of digital and innovation. StarTIP aims to be a hub in Italian digital and technological innovation, supporting the acceleration of the development of Italian innovative organizations. At the time of its creation, TIP reorganised its investments to contribute the shares held previously through other investment projects in Digital Magics (an incubator of Italian start-ups) and Talent Garden (an Italian company which management believes was the first European co-working network for digital start-ups).

The following chart shows the history of the current investments portfolio.

* Club deal

RECENT DEVELOPMENTS

The following transactions were completed in July 2019:

Bending Spoons: TIP - through StarTIP - alongside other investors entered into the capital of Bending Spoons. TIP purchased a stake of 2.37 per cent. in Bending Spoons S.p.A., Europe’s leading iOS app developer (*Source: Sensor Tower. Excluding games and downloads from China*), for a consideration of €5 million. Bending Spoons’ main market is the US and the company’s apps have been downloaded more than 200 million times to date, with approximately 200,000 new downloads per day on iOS devices (the leader in Europe and among the top 10 worldwide, ahead of Snapchat, Adobe and Twitter) (*Source: Sensor Tower*).

ITH*:* TIP purchased 14.95% of ITH S.p.A. for a consideration of approximately €17 million. ITH S.p.A. is the parent company of Sesa S.p.A., a company listed on the STAR segment of Borsa Italiana with a market capitalisation of over €500 million. TIP’s investment is part of a complex transaction of ITH and included the entry into of a put/call agreement with ITH shareholders providing for an additional increase in the stake held up to 15.75%. The exercise period of the put and call pursuant to the put/call agreement will fall during the second quarter of 2022.

Additional stake in Clubtre: TIP purchased an additional stake of 22.95% in Clubtre S.p.A. (its consolidated subsidiary which holds a 3.9 per cent. stake in Prysmian S.p.A.), for a consideration of €21.2 million. Following the transaction, TIP owns 66.23% of Clubtre.

***Elica S.p.A.**:* TIP purchased from Whirlpool EMEA S.p.A. its total holding in Elica S.p.A. (a company listed on the STAR segment of Borsa Italiana), comprising 12.568 per cent. of the share capital of Elica S.p.A., for a consideration of €15.9 million. Pursuant to the purchase agreement, TIP is subject to a six-month lock-up (expiring in January 2020) during which it may not sell such shares, and a 12-month commitment (expiring in July 2020) during which it may not sell such shares to certain competitors of Whirlpool. In addition, TIP entered into a shareholder agreement with FAN S.r.l., the controlling shareholder of Elica with a holding of 52.809 per cent. of the share capital, to establish a medium-term strategic alliance. Lastly, TIP entered into an agreement with Elica S.p.A. to purchase all its treasury shares (equal to 2.014 per cent.) for a consideration of €2.5 million (equivalent to the same price per share paid to Whirlpool), resulting in TIP holding an aggregate of 14.582% of the share capital of Elica. Subsequently, TIP increased its shareholding in Elica to 16.45% on 30 September 2019 and is continuing the purchase of Elica shares on the market.

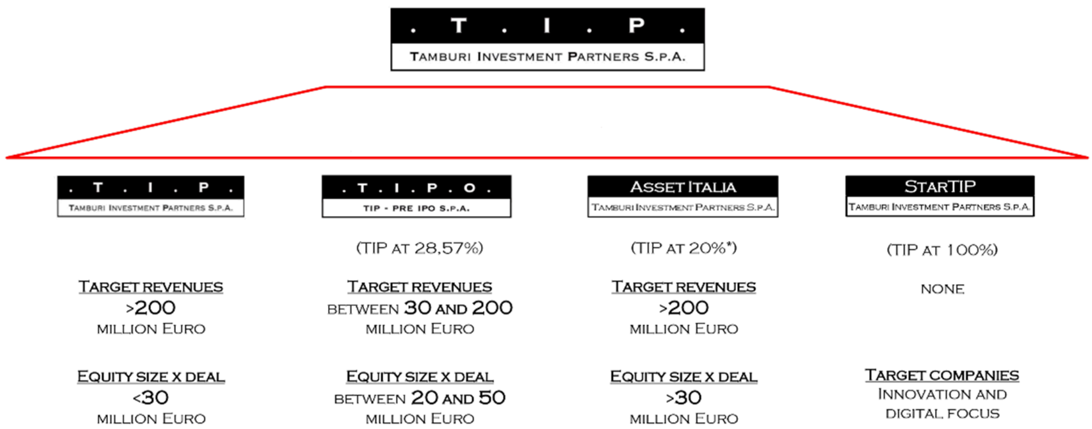
In September 2019 TIP announced, in the context of the fully delegated treasury shares program approved by the Shareholders' Meeting on 30 April 2019, the implementation of a plan for the purchase of additional treasury shares by up to a maximum of number of 8,000,000 shares to be executed by 31 January 2020 on the MTA market of Borsa Italiana. In addition, TIP sold 370,000 treasury shares on the market in connection with the exercise of stock options by one of TIP's executive directors.

In addition, in the third quarter of 2019 TIP sold n. 100.000 Ferrari shares for a total consideration of €14.5 million with a gain of €9.7 million.

Furla S.p.A.: in October 2019 TIP reached an agreement with Bloom Holding S.r.l. ("**Bloom**"), the company controlling Furla S.p.A. ("**Furla**"), to sell the Furla shares owned by TIP and resulting from the conversion of the convertible bond subscribed by TIP in 2016 for €35 million. The agreement provides that such shares could be acquired, on the same conditions, by Furla and, in any case, will be offered in pre-emption to all shareholders pursuant to the bylaws.

THE INVESTMENT PORTFOLIO

The structure of TIP's investment activities is summarised in the following chart:



**without considering tracking shares on specific investments.*

TIP has invested, through direct deals and club deals, in companies it considers "excellent" from an entrepreneurial point of view and is engaged in M&A and corporate finance activities. As of the date of this

Prospectus, TIP has in its portfolio, directly or indirectly through subsidiaries and associated companies, investments in listed and unlisted companies.

This section contains a description of TIP's investment portfolio, with a description of activities of the underlying businesses. The financial results reported below refer, where available, to the latest financial statements or press releases approved and published by each entity.

Set out below is an indication of TIP's investment portfolio, split into listed companies, private companies and StarTIP investments. In relation to certain of TIP's investment portfolio, some events impacting those companies in recent months have been set out below. TIP does not purport for this to be an exhaustive list and, in this regard, reference should be made to the publicly available information in relation to each of the companies.

(1) *In October 2019 TIP reached an agreement with Bloom Holding S.r.l., the company controlling Furla, to sell the Furla shares owned by TIP (and resulting from the conversion of the convertible bond subscribed by TIP in 2016) for €35 million.*

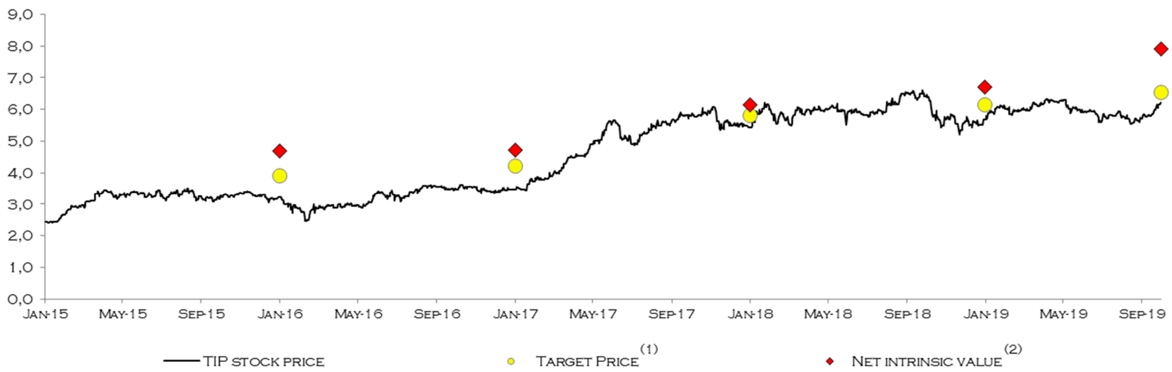
(2) *Other investments include liquidity, treasury shares and advisory activities.*

Management believes that the book value for each of TIP's investments is not indicative of the intrinsic value of each investment, as the book value is a financial parameter, rather than an analysis of the value of a company and its business. TIP carries out an analysis of each investment based on its knowledge of the relevant entity, and the medium-term outlook of those companies as being the value at which TIP estimates it will be able to monetise the asset. In addition to its own analysis, TIP monitors publicly available analyst estimates.

TIP's calculations of TIP's estimated intrinsic values of its investments are not IFRS measures and are not calculated based on IFRS financial information. TIP's calculations may differ from other companies in the industry. TIP's calculations of TIP's estimated intrinsic values should not be considered in replacement of IFRS revenue or any other IFRS measure. TIP's calculations of TIP's estimated intrinsic values are not necessarily indicative of the value of any investments (individually or in the aggregate), nor are they indicative of future valuations, and may subject to substantial fluctuations. As such, investors should not place undue reliance on TIP's calculations of TIP's estimated intrinsic values.

The intrinsic value of TIP's investments is the analytical valuation performed by TIP for each investment, representing the Issuer's expectation in the medium-term according to the valuation methods recognised by international best practice, taking into account a medium-term outlook of the companies' fundamentals as well as the expected valorisation strategy. TIP has applied the calculation method consistently over the years anticipating the value recognised by the target price of analysts and the market price of TIP share that have aligned to the intrinsic value with a time gap.

The intrinsic value and consequently the net intrinsic value are calculated with consistent criteria over time.



(1) Target price: refers to the average last 12 months Bloomberg target price

(2) Net intrinsic value (per share): intrinsic values of investments minus financial debts at consolidated level

The table below reporting the portfolio intrinsic value by industry as of 30 September 2019 shows the good level of diversification of the investments.

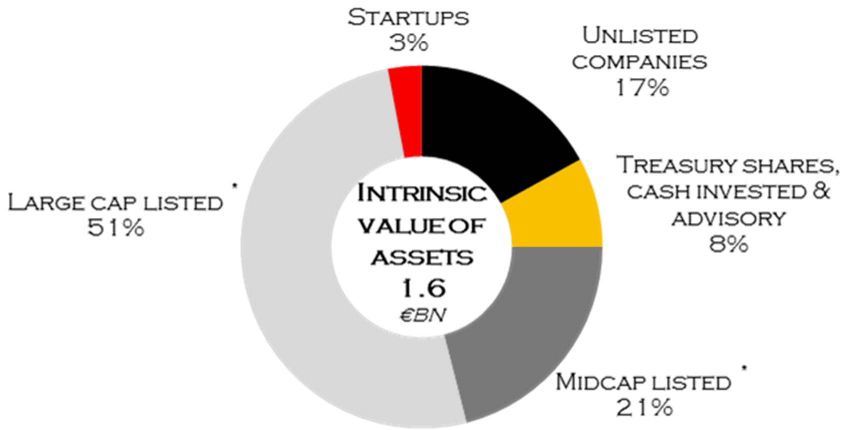
Portfolio Intrinsic Value by Industry

Industry (€ million)	**Book value 30/9(1)**	**Intrinsic value of assets (2)**	**Intrinsic value of assets (% of total)**
Technology and innovation	445	670	42%
Retail, fashion and high-end food	247	312	20%
Health, tourism, silver age	238	262	16%
Luxury and design	207	213	13%
Other	99	132	8%
Total investments	1,236	1,589	100%

(1) Book value from the consolidated financial statements of TIP Group; for Prysmian and Roche Bobois represent the full consolidated amounts, therefore including the quota referable to minority interests (related to TXR and Clubtre), while the intrinsic value have been calculated taking into consideration only the quota attributable to the shareholders of the parent company of the group (TIP S.p.A.).

(2) Intrinsic value: the analytical valuation performed by TIP for each investment, representing the Issuer's expectation in the medium-term according to the valuation methods recognised by international best practice, taking into account a medium-term outlook of the companies' fundamentals as well as the expected valorisation strategy.

The chart below sets out TIP's estimated intrinsic value of its investment portfolio as of 30 September 2019 split into listed companies, private companies and StarTIP investments.



**Large Cap listed: listed companies with market cap > €1 billion; Midcap listed: listed companies with market cap < €1 billion*

More than 70% of the TIP portfolio intrinsic value is represented by listed companies that provide a high level of liquidity. TIP has been able to sell on the market or by accelerated book building part of its investments when the market conditions where favourable (see "— *Recent Divestments*").

The remainder of this section contains a more detailed description of each of the more significant investments in TIP's investment portfolio, with a description of activities of the underlying businesses. The financial results reported below refer, where available, to the half year interim financial statements and to the latest financial statements approved and published by each entity and any reference to EBITDA is as calculated by the relevant entity (as described in its financial statements). These data are taken or derived from such publicly available information and TIP has not independently verify these figures and the relevant methodology of calculation. As such, investors should not place undue reliance on such figures.

LISTED COMPANIES

Amplifon S.p.A. (held directly by the Issuer and through Asset Italia)

Founded in 1950, Amplifon S.p.A. ("**Amplifon**") is a leading player (*Source: Amplifon Annual Report 2018*) in the distribution of hearing aids, supplies and related services. The Amplifon group leverages on its brand portfolio and operates through a network of distribution centres and licensee network affiliates with around 11,000 points of sale (5,150 direct, 4,000 shop-in-shop & corners and 1,800 affiliates) in 29 countries. Amplifon is listed on the Italian Stock Exchange - STAR Segment. Amplifon, with almost 11% of worldwide market share, is the only pure hearing retail global leader.

As of 30 September 2019, TIP has a direct equity interest in Amplifon S.p.A. of 2.67% and an indirect equity interest, through Asset Italia 2 S.r.l., in which TIP owns a 20% equity interest. As of 30 September 2019, Asset Italia 2 S.r.l. has a stake of approximately 6.18% in Ampliter S.r.l., the parent company holding 44.9% of the share capital and 61.8% of the voting rights of Amplifon S.p.A.

AMPLIFON - Consolidated key figures

(in millions of €)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Net revenues...............................	660	832	1,266	1,373
% change		*26.1%*		*8.4%*
Recurring Ebitda*.........................	110	141	218	241
% on net revenues.......................	*16.7%*	*17.0%*	*17.2%*	*17.6%*
Net financial debt (cash)*	320	841	296	841

** As at 30 June 2019 without the effect of IFRS 16*

December 2018 - Amplifon acquired GAES (purchase price of €530 million). GAES is the largest privately-owned specialty hearing care retailer in Spain with a network of around 600 points of sale and with revenues of around €210 million.

Amplifon was included in the Eurostoxx index.

Be Think, Solve, Execute S.p.A. ("Be Group") (held directly by the Issuer)

Be Group is a leading Italian player in the IT Consulting sector for the financial institutions. It provides business consulting, information technology and professional services to the financial sector, public administration and industries. The organization is divided into the different specializations of business consulting, the provision of solutions and platforms and professional services for the ICT Solutions segment. Be Group operates through around 1,300 employees and branches in Italy, Germany, United Kingdom, Switzerland, Austria, Poland, the Ukraine, Spain and Romania. Be Group is listed on the Italian Stock Exchange - STAR Segment.
As of 30 September 2019, TIP has a direct equity interest of 23.41% of common share capital.

Be Group - Consolidated key figures

(in millions of €)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Value of production	69	74	130	150
% change		*7.2%*		*15.8%*
Ebitda..	9	12	17	24

% on value of production	*13.5%*	*16.2%*	*13.3%*	*15.7%*
Net financial debt (cash)	22	28	6	(1)

In July 2019 – Be Group acquired 55% of Tesla Consulting s.r.l., an Italian company specialised in services and solutions for cyber security and digital forensics.

In April 2019 – Be Group and Yolo signed a strategic partnership concerning the on-demand insurance sector. Yolo is an Insurtech player that performs insurance brokerage activities only in digital mode.

In January 2019 – Be Group completed the full acquisition of its German subsidiary R&L AG, specialised in the financial services market (mainly in the payments sector).

Elica S.p.A. (held directly by the Issuer)

Elica is a leading player in the kitchen hood/extractor fan market and motors for heating boilers. Elica has two core business areas: cooking and motors. The cooking division designs, manufactures and sells kitchen hoods/extractor fans for domestic use, both under the Elica brand as well as for third party brands (including global manufacturers of household appliances and kitchens). In the Asian market, Elica also produces hobs, ovens and sterilisers. The motors division manufactures and sells electric motors for appliances, hoods/extractor fans and boilers for household use under the Fime brand.

Elica has seven plants in Italy, Poland, Mexico, India and China where approximately 3,800 employees produce 20.7 million pieces ranging from hoods to motors every year.

Elica has approximately a 50/50 product/client mix between original equipment manufacturing (OEM) and owned brands.

Elica is a public company listed on the Italian Stock Exchange - STAR Segment.

TIP invested in Elica in 2019 through the acquisition of the stake held by Whirlpool EMEA S.p.A., treasury shares and also directly on the Italian Stock Exchange (see "*Recent Developments*" for further information). As of 30 September 2019, TIP owns a direct equity interest of 16.45% of the share capital of Elica.

ELICA - Consolidated key figures

(in millions of €)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Revenue	243	239	479	472
% change		*-1.9%*		*-1.4%*
Adjusted Ebitda	20	21	37	40
% on revenue	*8.2%*	*8.9%*	*7.7%*	*8.5%*
Net financial debt (cash)	70	75	69	58

In July 2019 – TIP acquired 12.568% of Elica from Whirpool EMEA S.p.A. and 2.014% from Elica itself (treasury shares). An additional acquisition of shares was subsequently carried out on the market. As at 30 September 2019 TIP holds a direct equity interest in Elica of 16.45%.

AB Fagerhult ("Fagerhult") (held through TIPO)

Fagerhult is one of Europe's leading lighting groups with more than 4,300 employees in 25 countries. It develops, manufactures and markets innovative and energy efficient lighting solutions for professional indoor and outdoor environments offering a wide range of products and solutions. It has a portfolio of 13 brands and is particularly focused on the controls and connectivity segment, which allows both the lighting experience and energy efficiency to be optimized. The Fagerhult Group's largest markets are Sweden, UK, Germany, Australia and France, followed by Netherlands, Norway, Spain and Finland. Over the years, Fagerhult has added brands to its portfolio through acquisitions. Operations are divided into four geographical business areas and production units are located in Sweden, Finland, the UK, Germany, Italy, Australia, Turkey, South Africa, Thailand, Canada and China. Fagerhult is listed on Nasdaq Stockholm - Mid Cap segment.

TIP holds an indirect equity interest in AB Fagerhult through TIPO, in which TIP holds an equity interest of 29.29%. In March 2019 TIPO sold its stake in iGuzzini to Fagerhult with the consideration consisting partly in Fagerhult shares.

As of 30 September 2019, TIPO holds a stake of 1.93% of AB Fagerhult.

AB FAGERHULT - Consolidated key figures

(in millions of SEK)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Net sales	2,692	3,650	5,170	5,621
% change		*35.6%*		*8.7%*
Operating profit...........................	305	333	678	706
% on net sales............................	*11.3%*	*9.1%*	*13.1%*	*12.6%*
Net financial debt (cash)	2,526	4,331	1,830	2,073

March 2019 – acquisition of iGuzzini; the purchase price amounted to €376 million, of which €285 million paid in cash and €91 million in new Fagerhult shares.

May 2019 – a Fagherhult rights issue was fully subscribed and Fagerhult received proceeds for approximately SEK 2,213 million, equivalent to approximately €206 million.

Ferrari N.V. ("Ferrari") (held directly by the Issuer)

Ferrari is among the world's leading luxury brands focused on the design, engineering, production and sale of the world's most recognizable luxury performance sports cars. Ferrari's brand is considered by many to symbolise luxury, exclusivity, innovation, state-of-the-art sporting performance and Italian design and engineering heritage. Ferrari designs, engineers and produces its cars in Maranello, Italy, and sells them in over 60 markets worldwide through a network of 167 authorized dealers operating 188 points of sale. Ferrari licenses the Ferrari brand to a select number of producers and retailers of luxury and lifestyle goods, and sells Ferrari-branded merchandise through a network of 22 franchised and 19 owned Ferrari stores and on its website. Ferrari is listed on the New York Stock Exchange and the Italian Stock Exchange.

As of 30 September 2019, TIP has a direct equity interest of 0.04% of the share capital of Ferrari.

FERRARI - Consolidated key figures

(in millions of €)	30 June 2018 1H	30 June 2019 1H	31 December 2017 (FY)	31 December 2018 (FY)
Net revenues	1,737	1,924	3,417	3,420
% change		*10.8%*		*0.1%*
Adjusted Ebitda.................................	562	625	1,036	1,115
% on net revenues............................	*32.3%*	*32.5%*	*30.3%*	*32.6%*
Net debt (cash)*................................	1,203	1,167	1,158	1,133

**Includes the net debt related to the financial services activities (which as of 30 June 2019 was equal to €814 million)*

July 2019 – issue of €150,000,000 of 1.12% senior notes due 2029 and €150,000,000 of 1.27% senior notes due 2031.

Hugo Boss AG ("Hugo Boss") (held directly by the Issuer)

Hugo Boss is one of the leading global companies in the premium segment of the apparel market. With 1,096 stores and some 14,700 employees worldwide, the Company, which is based in Metzingen (Germany), develops and sells high-quality fashion as well as accessories in the womenswear and menswear segments under the BOSS and HUGO brands. Hugo Boss distributes classic yet modern tailoring, elegant evening wear, casualwear, shoes and accessories in 129 countries and earns royalties in connection with products such as fragrances, eyewear, watches and children's fashion. Hugo Boss is a public company listed on the German Stock Exchange in Frankfurt.

As of 30 September 2019, TIP has a direct equity interest of 1.36% of the share capital of Hugo Boss.

HUGO BOSS - Consolidated key figures

(in millions of €)	30 June 2018 1H	30 June 2019 1H	31 December 2017 (FY)	31 December 2018 (FY)

Sales	1,303	1,339	2,733	2,796
% change		*2.8%*		*2.3%*
Ebitda before special items*	204	189	491	489
% on sales	*15.6%*	*14.1%*	*18.0%*	*17.5%*
Net financial liabilities (cash)*	158	201	7	22

** As at 30 June 2019 without the effect of IFRS 16*

Interpump Group S.p.A. (held through Gruppo IPG Holding)

Interpump Group S.p.A. ("**Interpump**") is a world leader (*Source: Interpump Annual Report 2018*) in the production of high and very high-pressure plunger pumps for water, as well as high pressure cleaners, which are classified in the Water Jetting Sector.

Interpump is listed on the Italian Stock Exchange - STAR Segment

As of 30 September 2019, TIP has a direct equity interest of 33.72% (on a fully diluted basis) of the share capital of Gruppo IPG Holding S.p.A. and, as of 30 September 2019, Gruppo IPG Holding S.p.A. holds 23.34% of the share capital, net of treasury shares of Interpump.

Gruppo IPG Holding S.p.A. has a margin loan of €100.0 million guaranteed by a share pledge over 10 million Interpump shares out of the total n. 25,406,799 Interpump shares held.

INTERPUMP - Consolidated key figures

(in millions of €)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Net revenues	643	703	1,087	1,279
% change		*9.3%*		*17.7%*
Ebitda	147	162	249	289
% on net revenues	*22.8%*	*23.1%*	*22.9%*	*22.6%*
Net debt (cash)*	296	391	324	332

** Adoption of new accounting standard IFRS 16 resulted in additional debt equal to € 68.6 million at 1 January 2019*

March 2019 – Acquisition of Hydra Dyne Technology Inc. a Canada-based producer of hydraulic cylinders, valves and rotary manifolds.

September 2019 – Acquisition of Reggiana Riduttori S.r.l. involved in the design and manufacturing of power transmission systems.

Moncler S.p.A. (held directly by the Issuer)

Moncler S.p.A. ("**Moncler**"), founded in 1952, is a global leader in the apparel luxury segment. It has a consolidated position as a worldwide leader in the premium down jacket segment (*Source: Moncler Annual Report 2018*). Moncler and its subsidiaries are now selectively expanding beyond its core business, into complementary product and market segments. Moncler is present in all major markets both through the retail channel, consisting of directly operated stores and the online store, and through the wholesale channel, represented by multi-brand doors and shop-in-shops in department stores (*Source: Moncler Annual Report 2018*). As of 30 June 2019, Moncler's mono-brand stores distribution network consisted of 196 directly operated stores (DOS).

Moncler is listed on the Italian Stock Exchange – FTSE MIB segment.

As of 30 September 2019, TIP has a direct equity interest in Moncler of 0.79% of the share capital which derives from the liquidation of Clubsette S.p.A., the company managed by TIP which invested in Ruffini Partecipazioni S.r.l., company controlled by Remo Ruffini.

MONCLER - Consolidated key figures

(in millions of €)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Revenues....................................	494	570	1,194	1,420
% change...................................		*15.5%*		*19.0%*
Ebitda adjusted*	124	144	412	500
% on revenues	*25.1%*	*25.2%*	*34.5%*	*35.2%*
Net debt (cash)*...........................	(244)	(396)	(305)	(450)

** As at 30 June 2019 without the effect of IFRS 16*

In 2019 Moncler opened travel boutiques in the airports of Istanbul, Beijing, Paris, Hong Kong, Zurich, Sydney and a flagship store in Singapore.

OVS S.p.A. (held directly by the Issuer)

OVS S.p.A. ("**OVS**") is the Italian leader (*Source: http://www.ovscorporate.it/en/*) in the clothing market with a market share of 8% (*Source: http://www.ovscorporate.it/en/*). The OVS and UPIM brands have over 1,600 (direct and franchise) stores in Italy and all over the world (*Source: http://www.ovscorporate.it/en/*) in addition to the e-shop and network of directly operated and franchised stores located across Italy and abroad. OVS is listed on the Italian Stock Exchange. During 1H 2019 there were 23 new directly operated store openings, of which 13 in Italy.

As of 30 September 2019, TIP has a direct equity interest in OVS of 22.75% of the share capital.

TIP first invested in OVS in December 2018 and in 2019 increased its stake acquiring the stake owned by Gruppo Coin S.p.A., a company indirectly controlled by BC Partners funds and participated, among the others, by managers of OVS S.p.A.

OVS - Consolidated key figures

(in millions of €)	31 July 2018 1H	31 July 2019 1H	31 January 2017 (FY)	31 January 2018 (FY)
Net sales ([1])................................	720	651	1,415	1,392
% change		*-9.7%*		*-1.7%*
Ebitda adjusted*	81	63	197	144
% on net sales............................	*12.2%*	*9.6%*	*13.9%*	*10.4%*
Net financial debt (cash)*	428	414	318	376

(1) excluding Sempione Fashion sell-in

** As at 30 June 2019 without the effect of IFRS 16*

Prysmian S.p.A. (held directly by the Issuer and through Clubtre)

Prysmian S.p.A. ("**Prysmian**") and its subsidiaries (together with Prysmian, the "**Prysmian Group**") is a world leader (*Source: Prysmian Group Annual Report 2018*) in energy and telecom cables. It develops, designs, produces, supplies, and installs a wide range of cables for applications in the energy and telecommunications industries. Prysmian offers submarine transmission, asset monitoring systems, network components, and optical fibers. It has almost 140 years of experience, sales exceeding €11 billion, and about 30,000 employees in over 50 countries, 112 plants and 25 R&D sites. In 2018, General Cable Corporation merged with Prysmian and became part of Prysmian Group.

Prysmian is a public company, listed on the Italian Stock Exchange in the FTSE MIB index.

As of 30 September 2019, TIP has a direct equity interest in Prysmian S.p.A. of 0.65% and an indirect equity interest, through the dedicated vehicle Clubtre S.p.A., of approximately 2.58%.

TIP initially invested in Clubtre S.p.A. in 2010 and in July 2019 an additional stake has been acquired, thus reaching the stake of 66.23% (on a fully diluted basis) as of 30 September 2019. Thus Clubtre S.p.A. has been included in the consolidation area. Clubtre is the largest shareholder in Prysmian holding, as of 30 September 2019, a direct equity interest of approximately a 3.89%. As of 30 September 2019, Clubtre S.p.A. has a margin loan amounting to a nominal value of €99.1 million guaranteed by a pledge on the Prysmian shares.

PRYSMIAN - Consolidated key figures

(in millions of €)	30 June 2018 1H	30 June 2019 1H	31 December 2017 (FY)	31 December 2018 (FY)

Sales	5,782	5,849	7,904	10,105
% change		*1.2%*		*27.8%*
Adjusted Ebitda	413	521	736	693
% on sales	*7.1%*	*8.9%*	*9.3%*	*6.9%*
Net financial debt (cash)	3,014	2,819	436	2,222

General Cable was acquired during 2018 for approximately US$3 billion; the acquisition was partially funded through a capital increase (approximately €500 million) and bank loans for the remainder.

Roche Bobois S.A. (held through TXR)

Roche Bobois is a high-end furniture global market leader (*Source: Roche Bobois press release dated 29 March 2019 entitled "Full Year 2018 results"*) founded in 1960. The Group operates in 54 countries and has a network of over 330 owned stores (255 Roche Bobois) and franchises located in prestigious commercial areas, with a presence in the most important cities worldwide, including Europe, North, Central and South America, Africa, Asia and the Middle East (*Source: https://www.finance-roche-bobois.com/en/*). Roche Bobois has two brands: Roche Bobois, a high-end furniture brand with a strong international presence, and Cuir Center, a French sofa specialist positioned in the mid-range segment. The Group has constructed a producer-distributor-franchisor model which relies on outsourcing manufacturing to quality suppliers, and on mixed distribution network (*Source: https://www.finance-roche-bobois.com/en/*).

TXR S.r.l. ("**TXR**") is a holding company controlled by TIP which, as of 30 September 2019, has a direct equity interest of 51% of the share capital of TXR which, in turn, has a direct equity interest of 34.84% (36.95% of the voting rights) in Roche Bobois S.A. ("**Roche Bobois**"). As of 30 September 2019, TIP controls TXR thus TXR is included in the consolidation area.

ROCHE BOBOIS - Consolidated key figures

(in millions of €)	**30 June 2018 1H**	**30 June 2019 1H**	**31 December 2017 (FY)**	**31 December 2018 (FY)**
Revenues	129	135	249	257
% change		*4.3%*		*3.4%*
Current Ebitda*	10	11	21	22
% on revenues	*8.0%*	*8.3%*	*8.6%*	*8.7%*
Net financial debt (cash)*	7	(1)	(10)	6

** As at 30 June 2019 without the effect of IFRS 16*

Roche Bobois was listed on the B segment of Euronext Paris on 9 July 2018.

Sesa S.p.A. (held through ITH S.p.A.)

Sesa S.p.A. is a leader in Italy, offering value-added IT services and solutions and a partner of leading international software, hardware and digital innovation vendors in that business segment *Source: company website (https://www.sesa.it/en)*.

The Sesa Group offers a wide range of IT solutions in addition to the integration and specialised services in support of their own clients. The Sesa Group is organised into three divisions. The VAD sector (value-added IT distribution), managed through the subsidiary Computer Gross Italia S.p.A., the Software and System Integration sector (SSI), managed through the subsidiary Var Group S.p.A., which offers value-added IT solutions and services to customers in the SME and Enterprise segment, and the Corporate sector which, through the parent company Sesa S.p.A., manages the Sesa S.p.A. group's corporate functions and financial and operational platform on behalf of all of the Sesa S.p.A. group companies (the "**Sesa Group**").

Sesa S.p.A. is listed on the STAR segment of the Italian Stock Exchange.

In July 2019 TIP invested in ITH S.p.A., the holding company controlled by HSE S.p.A., which is the ultimate parent company of Sesa S.p.A. and whose shareholders comprise of its founders and management.

As of 30 September 2019, TIP has a direct equity interest in ITH S.p.A. of 14.95% and an indirect equity interest in Sesa S.p.A. of 7.89% (on a fully diluted basis).

SESA - Consolidated key figures	**12 months ending**	
(in millions of €)	**30 April 2018 (FY)**	**30 April 2019 (FY)**
Total revenues and other income..	1,363	1,551
% change		*13.8%*
Ebitda...	63	74
% on total revenues and other income	*4.6%*	*4.8%*
Total net financial position (cash)	(55)	(42)

In February 2019, Sesa acquired the German company PBU CAD-Systeme Gmbh (IT solutions for the manufacturing industry 4.0). In May 2019, Sesa acquired 60% of Gencom S.r.l. (networking and supporting digital security projects). In July 2019, TIP acquired 14.95% of the share capital of ITH.

PRIVATE COMPANIES

Alpitour S.p.A. ("Alpitour") (held through Asset Italia)

Alpitour is the Italian leader in the travel industry (*Source: https://www.alpitour.it*) and manages its entire value chain through five divisions: tour operating (Alpitour, Eden, Karambola, Francorosso, Viaggidea, Press Tours and Swan Tour), aviation (Neos), hotel (VOIhotels – Vera Ospitalità Italiana), incoming (Jumbo Tour, Sardegna.com) and travel agencies.

TIP invested in Alpitour through Asset Italia, initially in 2017 through a capital increase and subsequently in 2018 when it acquired a further equity interest from the private equity house Wise and Hirsch. Asset Italia owns through Asset Italia 1, as of 30 September 2019, an equity interest of 35.18% in Alpitour and an indirect equity interest through Alpiholding S.r.l. of 20.73%. As of 30 September 2019, TIP owns an interest of 35.81% of Asset Italia 1 meaning a total indirect equity interest of 19.93% in Alpitour.

ALPITOUR - Consolidated key figures

(in millions of €)	**31 October 2017**	**31 October 2018**
	(FY)	**(FY)**
Revenues..................................	1,224	1,682
% change		*37.4%*
Ebitda..	46	60
% on revenues	*3.8%*	*3.6%*
Net financial debt (cash)	(60)	43

Revenues and profitability increase in 2018-19 were mainly driven by:

1. the acquisition of Eden Viaggi (2018);
2. additional hotels under management in Sardinia (Tanka Village, 2018); and
3. the acquisition of two hotels in Sicily (Taormina, 2019). (Source: *Alpitour's Annual Report 2018 and Alpitour's press release*).

Azimut Benetti S.p.A. (held directly by the Issuer)

Azimut Benetti S.p.A. ("**Azimut Benetti**") is a yacht and mega yacht producer. The group operates through 6 production sites and has a sales network with 138 offices in 68 countries.

For the nineteenth consecutive year it obtained the first place in the ranking of «Global Order Book», the ranking of the leading manufacturers in the global nautical industry for yachts and mega yachts over 24 meters.

Azimut Benetti is a private company, whose controlling stake is owned by the Vitelli Family.

TIP invested in Azimut Benetti in 2015 and, as of 30 September 2019, has a direct equity interest of 12.07% of the share capital of Azimut Benetti.

AZIMUT BENETTI - Consolidated key figures

(in millions of €)	**31 August 2017**	**31 August 2018**
	(FY)	**(FY)**
Value of production	726	827
% change		*13.9%*

Ebitda adjusted...........................	n.s.	55
% on value of production		*6.7%*
Net financial debt (cash)	81	73

(*Source: Azimut Benetti's Annual Report 2018 and Press Releases*).

Beta Utensili S.p.A. (held through TIPO)

Headquartered in Sovico (MB), Italy, Beta Utensili S.p.A. ("**Beta Utensili**") is the Italian leader (*Source: Beta Utensili's Annual Report 2018*) in the design and production of professional working tools and instruments. Beta Utensili designs, manufactures and markets professional hand tools mainly under the "Beta" brand.

Beta Utensili boasts more than 26 product families and over 12,000 references with applications in the automotive, energy, oil & gas, aerospace and other relevant sectors. Beta relies on a distribution network of 8 commercial branches in France, Spain, U.K., Benelux, Poland, Hungary, China and Brazil, self-owned logistic facilities and over 200 distributors (*Source: https://www.beta-tools.com/en/*).

Beta Utensili is a private company, controlled by Mr. Roberto Ciceri (Beta CEO and member of the founders' family) through the holding company Centokappa S.r.l.

TIP invested in Beta Utensili in 2016, when TIPO, a company in which TIP, as of 30 September 2019, owns a 29.29% direct equity interest, set up a club deal with Beta Club S.p.A. which owns a direct equity interest of 30.87%of Beta Utensili.

As of 30 September 2019, TIPO owns a direct equity interest of 3.94% in Beta Utensili and a 58.42% controlling equity interest in Beta Club S.p.A.

BETA UTENSILI - Consolidated key figures

(in millions of €)	**31 December 2017**	**31 December 2018**
	(FY)	**(FY)**
Revenues...................................	137	161
% change...................................		*17.6%*
Adjusted Ebitda	28	31
% on revenues	*20.5%*	*18.9%*
Net financial debt (cash)	52	55

In 2018 growth was driven by the acquisition of BM S.p.A. and Abra Beta (*Source: Mergermarket*).

Chiorino S.p.A. (held through TIPO)

Established in 1906 as a tannery, Chiorino S.p.A. ("**Chiorino**") has developed for over a century to become a worldwide leader in the production of conveyor belts with diversified industrial applications: food, packaging, airports, textile, wood, material handling, etc (*Source: https://www.chiorino.com/en/gruppo.php*).

Chiorino is headquartered in Biella, Italy, and is now an international company operating in a global market through 19 subsidiaries abroad and a widespread distribution network in different countries. As at and for the year ended 31 December 2018, Chiorino and its subsidiaries employed more than 850 people.

Chiorino is a private company controlled by the Chiorino family through the holding company Sant'Agata S.p.A.

TIP invested in Chiorino in 2017, when TIPO, the vehicle company in which, as of 30 September 2019, TIP owns a 29.29% shareholding stake, acquired the 20% minority equity interest in Sant'Agata from the Chiorino Family, who still owns an 80% majority equity interest.

CHIORINO - Consolidated key figures

(in millions of €)	31 December 2017	31 December 2018
	(FY)	**(FY)**
Net revenues	111	116
% change		*4.2%*
Ebitda...	25	26
% on net revenues......................	*22.4%*	*22.6%*
Net financial debt (cash)	(7)	(15)

The 2018 results have been mainly driven by organic growth (*Source: Chiorino's Annual Report 2018*).

Eataly S.p.A. (held through Clubitaly)

Founded in 2003 by Oscar Farinetti, Eataly S.p.A. ("**Eataly**") operates globally in the distribution and marketing of Italian food and wine products, integrating production, sales, catering and education.

Eataly is currently present in Italy, America, the Middle and Far East and is implementing a significant plan for new openings in some of the world's major cities, both through direct sales outlets and franchises. Eataly has a global presence with 35 stores worldwide: 15 in Italy (Turin 2, Bologna 2 and 1 in each of Milan, Rome, Pinerolo, Monticello, Forlì, Modena, Genova, Trieste, Piacenza, Florence and Bari), 1 in Germany (Munich), 1 in Sweden (Stockholm), 5 in the U.S. (New York 2, Los Angeles, Boston and Chicago), 1 in Brazil (San Paolo). Franchising stores: 1 in France (Paris), 1 in the U.S. (Las Vegas), 1 in Russia (Moscow) 1 in Turkey (Istanbul), 1 in South Korea (Seoul), 2 in Japan (Tokyo), 3 in U.A.E. (Dubai 2 and Ryiad) and the last 2 in Qatar (Doha).

TIP invested in Eataly in 2014 through Clubitaly, a club deal dedicated vehicle in which, as of 30 September 2019, TIP has an equity interest of 30.20%. As of 30 September 2019, Clubitaly has a direct equity interest of 19.74% in the share capital of Eataly.

EATALY- Consolidated key figures

(in millions of €)	31 December 2017	31 December 2018
	(FY)	**(FY)**

Revenues...................................	465	532
% change		*14.4%*
Ebitda adjusted...........................	25	21
% on revenues	*5.4%*	*3.9%*
Net financial debt (cash)	52	54

Revenues' growth in 2018 has been mainly driven by the contribution of new openings and Fico Eataly World.

In 2019 an agreement was signed to sell the 34% stake in Acque Minerali S.r.l. to Coca Cola Group.

Furla S.p.A. (direct investment of the Issuer)

Furla is a global leader in the premium luxury segment in the manufacture and marketing of high-end leather handbags and accessories, with an extremely personalised style. Furla is present in 98 countries with more than 1,200 stores and department stores and 490 mono-brand stores.

In 2018 the net financial debt of Furla was influenced by the acquisition of 49% of Furla HK Retail and the payment of the second instalment related to Furla Australia (*Source: Furla's Annual Report 2018*).

In 2016 TIP entered into a convertible bond with Furla for an aggregate amount of €15 million, that converted into Furla shares on 30 September 2019. In October 2019 TIP reached an agreement with Bloom, the company controlling Furla, to sell the Furla shares owned by TIP (and resulting from the conversion of the convertible bond subscribed by TIP in 2016), for € 35 million. The agreement provides that such shares could be acquired – on the same conditions – by Furla and, in any case, will be offered in pre-emption to all shareholders pursuant to the bylaws.

FURLA - Consolidated key figures

(in millions of €)	**31 December 2017**	**31 December 2018**
	(FY)	**(FY)**
Net revenues..............................	499	513
% change		*2.8%*
Ebitda...	82	84
% on net revenues......................	*16.4%*	*16.4%*
Net financial debt (cash)	(5)	27

OCTO (direct investment of the Issuer)

In February 2015 TIP subscribed a partially convertible bond for an aggregate amount of €8 million in a holding company that holds an investment in Octo Telematics, the principal global provider of telematic services for the insurance and automotive market. The portion convertible of € 2,518,750 has a duration of 96 months from the issue date (20 February 2015), and will be reimbursed in whole at maturity, it bears an interest rate of 6.0% on a yearly basis with interest paid entirely at maturity; the conversion in preferred shares of the holding company that holds the investment in Octo Telematics is allowed in full but not in part at maturity or in case of liquidity events.

STARTIP

As of 30 September 2019, StarTIP S.r.l. ("**StarTIP**") is 100% owned by TIP and was established in order to invest in companies in the digital and innovation sector. The StarTIP portfolio of investment includes: Alkemy S.p.A., Bending Spoon S.p.A., Buzzoole Holding Limited, Digital Magics S.p.A., S.r.l., Talent Garden (directly and through the founder and management investment holding) and Telesia S.p.A..

Akemy S.p.A. (holding as of 30 September 2019 – 7.58%) supports medium-large companies in digital transformation processes of business models and of interaction with consumers. Alkemy is today the leading independent national provider of digital B2B services recognised for skills, performance, completeness of the offer and size. The company is listed on the AIM market of Borsa Italiana.

Bending Spoons S.p.A. (holding as of 30 September 2019 – 2.37%), Europe's number one app publisher (*Source: Sensor Tower*), founded in Copenhagen in 2013 by four Italian engineers. Today it employs more than 100 people, an international workforce that spans 15 nationalities. The company's apps have been downloaded 200 million times to date, a figure that is growing at a rate of approximately 200,000 downloads per day on iOS devices (ahead of apps such as Snapchat, Adobe, and Twitter) (*Source: Sensor Tower*).

Buzzoole Holding Limited (holding as of 30 September 2019 – 32.48%) is a technological platform aimed at automating, managing and optimizing investments in influencer marketing, with over 250 thousand content creators, more than 1,900 clients and over 50 million interactions.

Digital Magics (holding as of 30 September 2019 – 22.72%) is a business incubator that develops digital businesses, working alongside the founders of startups and providing acceleration services. Digital Magics also designs and develops open innovation programs to support Italian companies in the innovation of processes, services and business products thanks to startup technologies, creating a strategic bridge between companies and the entire ecosystem of digital startups. The company is listed on the AIM market of Borsa Italiana.

Talent Garden S.p.A. (holding, direct and indirect, as of 30 September 2019 – 19.15%) is the largest physical platform in Europe which aims to bring digital, technology and creative talents together to work, learn and connect as follows:

- Work: 26 coworking spaces which aim to allow the community to work, collaborate, connect and achieve their goals. The campuses are open 24/7 and offer workstations, meeting rooms, training rooms and relax areas.
- Learn: TAG Innovation School, dedicated to innovation and digital, proposes masters and training programs aimed to help people and companies to work with passion, to grow and to be leaders in an increasingly digital world.

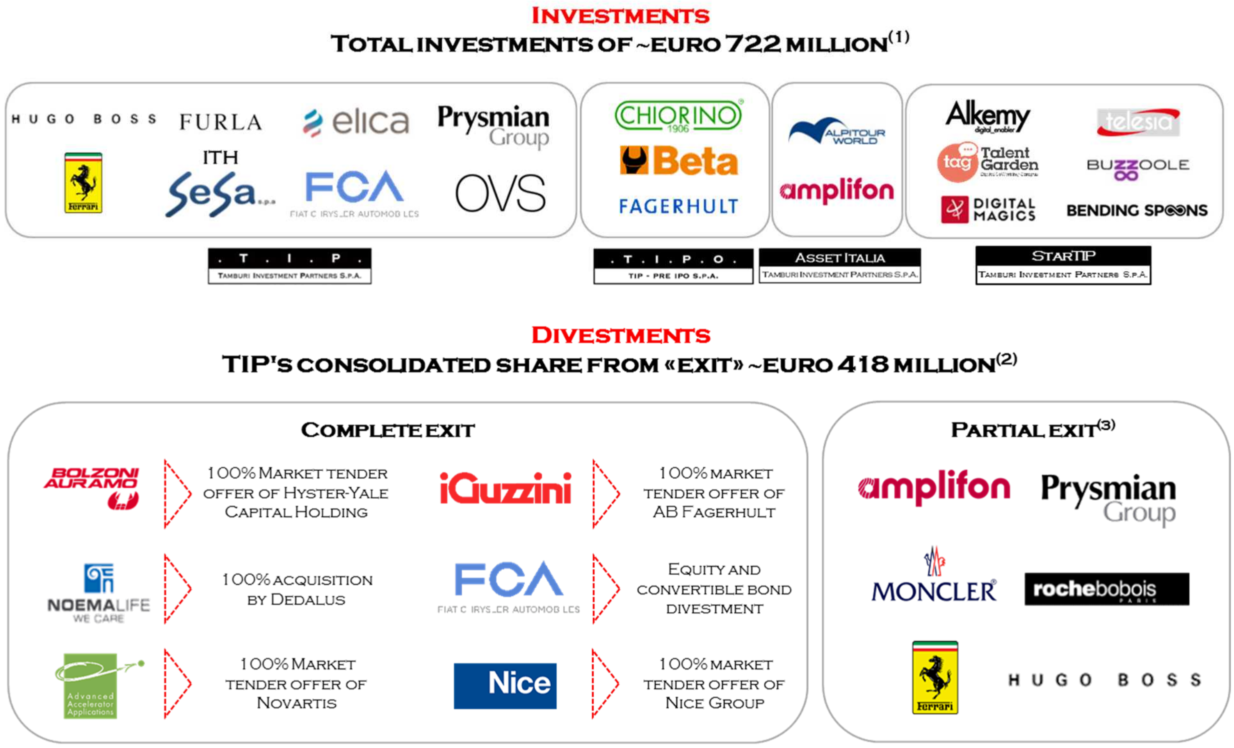
- Connect: management of different types of events, from community-related projects to corporate ones, with the aim of promoting innovation, technology and creativity.

Telesia S.p.A. (holding as of 30 September 2019 – 13.14%) is a technological and media company that operates in the field of out-of-home television. It was born as a company specialized in the design, construction and management of audio-video information systems and developed itself as a television operator specialised in high traffic areas. Management believes Telesia to be a leading player in the Go TV segment in Italy, a rapidly growing sector compared to traditional TV.

OTHER INVESTMENTS AND FINANCIAL INSTRUMENTS

In addition to the investments mentioned above, TIP holds stakes in other listed and non-listed companies which in terms of amounts invested, are not considered to be significant. The threshold considered is a book value of €2 million excluding Startip companies.

2016-2019 INVESTEMENTS/DIVESTMENTS



Data as at 30 September 2019
(1) Total investments include 100% of investments carried out by TIP Pre-IPO S.p.A. and Asset Italia S.p.A.; TIP consolidated share about Euro 492 million
(2) Divestments do not include the sale of the Furla shares owned by TIP that as at 30 September 2019 were not yet finalized
(3) Partial exit: partial disposals through market selling (ex. Accelerated Bookbuilding process)

During the period from 1 January 2016 to 30 September 2019, TIP, including 100% of investments carried out by TIP Pre-IPO S.p.A. and Asset Italia S.p.A., made a total of €722 million in investments (TIP consolidated share €492 million). Over the same period, TIP carried out a series of complete or partial divestments for a total amount of €418 million (TIP consolidated share); divestments do not include the sale of the Furla shares own by TIP that as of 30 September 2019 were not yet finalised. (*Source: the Issuer's 2016 Annual Report, available at www.tipspa.it, and each of the 2017 Annual Report, the 2018 Annual Report, the 2019 Consolidated Half-Year Report and the Additional periodic disclosure as at September 2019, each of which are incorporated by reference in this Prospectus – see "– Documents Incorporated by Reference*).

Set out below is a summary of certain recent divestments carried out by TIP.

Prysmian S.p.A.

In January 2017, Clubtre (established for the purpose of acquiring a significant shareholding in Prysmian S.p.A., an Italian listed company and in which TIP, at such time, held 43.28 per cent. on a fully diluted basis) sold – through an accelerated bookbuilding process– 4 million shares in Prysmian, corresponding to 1.85 per cent. of its share capital, for a total consideration of €97.6 million (before commissions) generating a capital gain for TIP of approximately €19.9 million. Following this sale Clubtre remained the largest individual shareholder of Prysmian, with a stake of over 4 per cent. of it share capital.

Advanced Accelerator Applications S.A. - AAA

In 2017, TIPO (in which TIP holds 29.29 per cent.) realised a capital gain on the sale of AAA shares, in an amount of approximately €9 million (with TIP's share of this corresponding to approximately €2.5 million). TIPO had invested approximately €7 million in AAA, of which €5 million in January 2014 and a further approximately €2 million in November 2015 at the time of AAA's IPO on NASDAQ. The securities held (630,000 ADS) were subsequently sold, diluted over time and at different prices, and the exit was ultimately concluded on 30 October 2017, in the context of a purchase of 100 per cent. of AAA by Novartis at a price of USD 82 per ADS (USD 3.9 billion for 100%). Overall, following its initial investment, TIPO has realised a total gain of approximately €14.9 million from the sale of AAA shares.

Amplifon S.p.A.

In June 2017 TIP sold, through an accelerated bookbuilding process, 3.5 million Amplifon shares, corresponding to 1.55 per cent. of the share capital and 1.06 per cent. of the voting rights (existing prior to the transaction) for a total consideration of €42 million, before charges and commissions, resulting in a capital gain of approximately €29.2 million.

Moncler S.p.A.

In July 2016, Clubsette (in which TIP at that time held 52.5 per cent.), withdrew from Ruffini Partecipazioni and, in accordance with the agreements reached, received shares of Moncler previously held by Ruffini Partecipazioni, equal to 5.125 per cent. of the share capital, realizing a capital gain on its initial investment equal to approximately €78 million. Clubsette was then placed into voluntary liquidation and the Moncler shares assigned to its shareholders, including TIP which received 2.32 per cent. of the share capital of Moncler.

At the end of 2017 TIP disposed of 24 per cent. of the Moncler shares received realizing a gain of approximately €12.1 million. In 2018 and 2019 TIP continued its disposal of Moncler shares for an aggregate of 41 per cent. of the shares originally received resulting in a further gain of approximately €40.1 million.

FCA Group

Starting from 2014 TIP made some investments in FIAT-FCA in order to invest the excess of liquidity existing at that time, despite being outside the traditional scope of assets where TIP is able to play an active role. These investments included €20.1 million in FCA convertible bond, €17.8 in Ferrari shares and €28.7 in FCA shares on top of bonds with different duration. In 2016 following the spin-off of Ferrari from the FCA Group TIP received 367,422 Ferrari shares, of which (i) 174,000 shares related to the 1,740,000 FCA shares held at 31 December 2015 and (ii) 193,422 shares from the FCA convertible bond.

At present the total gain of TIP, considering interests on convertible bonds and disposals made over the years of FCA and Ferrari shares, is €62 million. In addition at 30 September 2019 TIP still has in portfolio n. 100.000 Ferrari shares for a market value of €14.2 million.

iGuzzini

On 23 March 2015, TIPO acquired 14.29 per cent. of the share capital of iGuzzini Illuminazione S.p.A., a leading Italian and European company specialized in the creation and production of internal and external architectural lighting systems for a consideration of approximately €21.3 million. TIPO subsequently, together with some members of the Guzzini family, incorporated GH S.r.l. that acquired some investments in Fimag S.p.A., a company which in addition to holding over 75 per cent. (84.15 per cent. on a fully diluted basis) in iGuzzini Illuminazione S.p.A. has investments in other industrial, property and financial companies. The total investment by TIPO (which holds 47.83 per cent. of GH S.r.l.) in this second Group transaction amounts to approximately €11 million. GH merged into Fimag.

In the first half of 2019, TIPO and Fimag sold their investment in iGuzzini S.p.A. and TIPO completed its withdrawal from Fimag, receiving both liquidity shares valued at €68.8 million and Fagerhult AB shares valued at €17.7 million. The capital gain of TIPO amounted to approximately €53.5 million (with TIP's share of this corresponding to approximately €15.7 million).

Hugo Boss

Starting from 2015, until 30 September 2019, TIP invested a total amount of €104 million in Hugo Boss but subsequent changes in governance and market conditions have resulted in the company not achieving the potential anticipated by TIP. Consequently the investment in Hugo Boss has been subject at the end of 2018 to €33.1 million of write-downs. In 2019 a partial divestment of 360,000 generated a gain of €2.8 million on the written down value.

SHARE CAPITAL AND SHAREHOLDERS

Share Capital

TIP's subscribed and fully paid up share capital as at 30 September 2019 was €89,441,421.68. The share capital comprises entirely ordinary shares, without nominal value,as illustrated in the table below:

SHARE CAPITAL STRUCTURE				
	No. of shares	**% of share capital**	**Listed / Non Listed**	**Rights and obligations**
Ordinary shares	172,002,734	100%	Italian Stock Exchange, STAR Segment	As per law and by-laws

All the ordinary shares have the same rights, which are exercisable without any limits.

There are no restrictions on the transfer of shares, nor limits to possession, or any clauses to become a shareholder.

In addition, in 2015 TIP issued warrants to its shareholders which can, under certain circumstances, be converted into ordinary shares. See: – *Warrants 205 – 2020 - ISIN IT0005121444*.

OTHER FINANCIAL INSTRUMENTS (attributed the right to subscribe to new share issues)				
	Listed (with market indicated)/not listed	**No. of instruments outstanding**	**Category of shares for the conversion/exercise**	**No. of shares of the conversion/exercise of the fourth exercise period**
Warrants	MTA - STAR Segment	12,741,768	Ordinary shares	7,561,067

Shareholders

The shareholders of TIP, direct or indirect, as at 30 September 2019 are set out in the table below, on the basis of notifications made by shareholders pursuant to applicable law and regulation:

Shareholders	Direct Shareholder	N. of shares	Total shares	% of share capital
Francesco Angelini	Angelini Partecipazioni Finanziarie S.r.l.		18,757,137	10.905
D'Amico Società di Navigazione S.p.A.	D'Amico Società di Navigazione S.p.A.		16,950,000	9.854
Giovanni Tamburi	Giovanni Tamburi	3,351,371	13,019,801	7.570
	Lippiuno S.r.l.	9,668,430		
Alessandra Gritti	Alessandra Gritti		2,232,293	1.298
Claudio Berretti	Claudio Berretti		2,230,000	1.296

As of the date of this Prospectus, the Issuer is not controlled by any person within the definition of control set forth by Article 93 of the Legislative Decree No. 58 of February 24, 1998, "*Testo unico delle disposizioni in materia di intermediazione finanziaria*", as amended and supplemented.

TIP is not subject to the direction and coordination of any other company or entity and is fully independent in making decisions regarding its general strategic and operating guidelines.

There are no arrangements known to the Issuer the operation of which may result in a change of control of the Issuer.

POTENTIAL INCREASES IN ASSETS AND EQUITY

Warrants 2015 – 2020 - ISIN IT0005121444

In 2015, TIP issued an aggregate amount of 36,948,900 warrants giving the holders the right to convert them into ordinary shares, allocating such warrants (free of consideration) proportionately among shareholders at the time of issue, with an exercise price increasing each year up to €5.41 per share foreseen for the last exercise period, in June 2020. There are 12,741,768 warrants still outstanding as at the date of this Prospectus. If the warrants are exercised in full TIP will receive €68.9 million on 30 June 2020. The warrants that are not exercised at the end of the final exercise period, which expires on 30 June 2020, will become invalid.

Share capital increase for combination with Asset Italia

The Shareholders' meeting of Tamburi Investment Partners on July 14, 2016 approved to confer a proxy to the Board of Directors, pursuant to article 2443 of the Italian Civil Code, to increase the share capital ("Proxy") by the maximum amount of €1,500,000,000 against payment via the issue of ordinary shares with the same characteristics of the ones outstanding, with exclusion of the option right pursuant to the paragraph 4.1 of the article 2441 of the Italian Civil Code, to service the contribution in kind of Asset Italia shares by the Asset Italia shareholders (except from TIP). The TIP Shareholders' meeting approved to confer the Proxy for a five years period starting from the date of the resolution, it being understood that the Proxy will be exercised when it will be more convenient to finalize the business combination between TIP and Asset Italia and, consequently, also with an early execution. Within five years a business combination between Asset Italia e TIP shall take place with the potential contribution in kind of the shareholdings in Alpitour (€203 million of original investment) and Ampliter (€50 million of original investment) (and any other additional shareholding Asset Italia will have at that date).

LITIGATION

Except as described below, as at the date of this Prospectus, the Issuer and the Consolidated Subsidiaries are not involved in pending legal or tax proceedings nor have they received written notification threatening any legal or tax proceeding.

TIP is involved in a lawsuit with a former employee who was dismissed in 2017. As at the date of this Prospectus, the Court of Appeal of Milan has considered the employee's dismissal to have been effected for justified reasons (so-called "*giustificatezza*").

In the context of a related judgment, the Court of Milan has rejected further compensation claims from the employee but has granted his request to be awarded 150,000 stock options in TIP. TIP has appealed such ruling claiming that the employee is not entitled to be granted such stock options for a number of reasons, including the above-mentioned decision of the Court of Appeal which found the dismissal to be for justified reasons (so-called "*giustificatezza*").

MANAGEMENT

Board of Directors

The board of directors of the Issuer ("**Board of Directors**") is responsible for managing the Issuer in accordance with applicable laws, constitutional documents and shareholder resolutions. The principal functions of the Board of Directors are to carry out the business and to legally represent the Issuer in its dealings with third parties. Under the Issuer's bylaws, the Board of Directors may consist of between 9 and 13 directors, as established by the ordinary shareholders' meeting. At least one-third (rounded down to the nearest whole number) of the directors must meet the requirements of independence established by Article 148 of the Consolidated Financial Act and by Article 3 of the Corporate Governance Code.

The current nine members of the Board of Directors were appointed by a resolution of TIP's shareholders' meeting held on 17 May 2019 and will hold office until the shareholders' meeting called for the approval of the financial statements for the year ending 31 December 2021. For the purposes of their function as members of the Board of Directors of TIP, the business address of each of the members of the Board of Directors is the registered office of TIP.

The following table identifies the current members of the Board of Directors, together with their age, position and principal activities performed by them outside of the Issuer.

Name	Age	Position	Other principal activities
Giovanni Tamburi	65	Chairman and CEO	Director of Alpiholding S.r.l., Alpitour S.p.A.,Azimut Benetti S.p.A., Amplifon S.p.A., Beta Utensili S.p.A., Eataly Distribuzione S.r.l., Elica S.p.A., Fimag S.p.A., Furla S.p.A., Interpump Group S.p.A., Jumboturismo S.A.U., Neos S.p.A., OVS S.p.A.. Chairman of the Board of Directors of Asset Italia S.p.A., Betaclub S.r.l., Clubitaly S.p.A., Clubtre S.p.A., Gruppo IPG Holding S.p.A. and TIP-Pre IPO S.p.A. Sole Director of TXR S.r.l., Lippiuno S.r.l. and Member of the Oversight Board of Roche Bobois Group.
Alessandra Gritti	58	Vice-Chairman and CEO	CEO of Asset Italia S.p.A., Betaclub S.r.l., Clubitaly S.p.A., TIP-Pre IPO S.p.A. Director of Alpitour S.p.A., Beta Utensili S.p.A., Chiorino S.p.A., Eataly Distribuzione S.r.l., Furla S.p.A., Moncler S.p.A., OVS S.p.A. and Sant'Agata S.p.A. Sole Director of Asset Italia 1 S.r.l., Asset Italia 2 S.r.l., Clubdue S.r.l. and StarTIP S.r.l.
Cesare d'Amico	62	Vice-Chairman	CEO of d'AMICO Società di Navigazione S.p.A. and CO.GE.MA S.A.M. President of d'Amico International S.A. – Luxembourg, ITS Foundation Giovanni Caboto and Marina Cala Galera Circolo Nautico S.p.A. Director of d'Amico International Shipping S.A. Luxembourg, d'Amico Dry d.a.c., ACGI Shipping Inc., Clubtre S.p.A., Ishima Pte Limited, MIDA Maritime Company d.a.c., Società Laziale Investimenti e Partecipazioni S.p.A., The Standard Club UK Ltd and The Standard Club Asia Ltd.

Claudio Berretti	47	Executive director and General Manager	Director of Tamburi Investment Partners S.p.A., Alpitour S.p.A, Alpiholding S.r.l., Alpitour World Hotels & Resorts S.p.A., Asset Italia S.p.A., Be Think, Solve, Execute S.p.A., Betaclub S.r.l., Chiorino S.p.A., Clubitaly S.p.A., Digital Magics S.p.A., ITH S.p.A, MyWoWo S.r.l., Monrif S.p.A., Neos S.p.A, Talent Garden S.p.A., Sant'Agata S.p.A, Sesa S.p.A., TIP-Pre IPO S.p.A. and Venice Shipping & Logistic S.p.A.
Manuela Mezzetti (1)	59	Director	Sole director of Mezzetti Advisory Group S.r.l.
Alberto Capponi (1)	65	Director	Chairman of Finaf S.p.A. (Holding Angelini Group) and CEO of Angelini Partecipazioni Finanziarie S.r.l.
Giuseppe Ferrero(1)	73	Director	Chairman of Ferrero S.p.A. Group, Metallurgica Piemontese Commercio S.r.l., SI.CO.FER. Siderurgica Commerciale Ferrero S.r.l., Thovez 11 S.p.A., Sied Chile SA, Hidroenersur SA, Hidrorupanco SA, Hidronalcas SA, Hidrocallao SA, Hidroangol SA and Hidropalmar SA.
Daniela Palestra (1)	55	Director	Consultancy activities for Studio BFC & Associati in Milan (formerly Studio Reboa & Associati)
Paul Simon Schapira (1)	61	Director	Financial advisor and non-executive/independent director of Saipem S.p.A.

Notes:

(1) Independent director pursuant to Article 148 of the Consolidated Financial Act and Article 3 of the Corporate Governance Code.

Executive Management

The Issuer is managed by an executive management team which consist of:

- Mr. Giovanni Tamburi: founder, Chairman and CEO of TIP. Active in M&A and corporate finance since 1977, in Bastogi and Euromobiliare. Contract professor in finance at LUISS and LIUC until 2004. Member of the Governmental Commission ("Cappugi" Commission for Privatisation) and Member of the Advisory Board for the Privatisation of the Milan Municipality. Author of several books and publications on finance and M&A privatisations and valuations.
- Ms. Alessandra Gritti: co-founder, Vice Chairman and Co-CEO of TIP. Active in the field of corporate finance since 1984.
- Mr. Claudio Berretti: Executive Director and General Manager of TIP (he has been with TIP since 1995). Previous experiences at Fiat Uk Group Ltd. and Magneti Marelli UK.

The executive management team has been unchanged since the incorporation of TIP.

The other principal activities carried out by the executive management team are set forth above under "– *Board of Directors – Members of the Board of Directors*".

Board of Statutory Auditors

Pursuant to applicable Italian law, the Issuer has appointed a board of statutory auditors (*collegio sindacale*) ("**Board of Statutory Auditors**") whose purpose is to oversee the Issuer's compliance with the law and its own by laws, verify compliance with best practices in the administration of its business, and assess the adequacy of internal controls and accounting reporting systems, including the adequacy of the procedures in place for the exchange of information between the Issuer and its subsidiaries. As of the date of this Prospectus, there are three standing auditors on the Board of Statutory Auditors. Members of the board of statutory auditors are appointed by TIP's shareholders at ordinary shareholders' meetings. Its members are elected through a closed list system, according to rules and definitions analogous to the appointment process for the Board of Directors.

The current Board of Statutory Auditors (*Collegio Sindacale*) of TIP was appointed by a resolution of TIP's shareholders' meeting held on 20 April 2018 and will hold office until the shareholders' meeting called for the purpose of approving TIP's financial statements for the year ending 31 December 2020.

The following table identifies the current members of the Board of Statutory Auditors, together with their age, title and the principal activities performed by them outside of the Issuer.

Name	Age	Position	Other principal activities
Myriam Amato	45	Standing Auditor, President	Chair of the board of statutory auditors of Hera S.p.A, Hera Comm S.r.l., Hera Luce S.p.A. Statutory Auditor of Acantho S.p.A., Hera Ambiente S.p.A., Neptune Vicolungo S.p.A. and Credimi S.p.A.
Fabio Pasquini	65	Standing Auditor	Chair of the board of statutory auditors of Società per Azioni Michelin Italiana. Statutory Auditor of Jacobacci & Partners S.p.A., BasicItalia S.p.A. (BasicNet Group), Autoliv Italia S.p.A., Casco Imos S.r.l. (Sequa Group), TIP-Pre IPO S.p.A. and Eataly distribuzione S.r.l. CEO of Torino Fiduciaria (Fiditor S.r.l.)
Alessandra Tronconi	52	Standing Auditor	Partner responsible for the practice of Studio Associato di Consulenza Legale e Tributaria (KPMG) Chair of the board of statutory auditors of Contarini Leopoldo S.r.l., I.M.M. Hydraulics S.p.A., Interpump Hydraulics S.p.A, Perimetro (Gestione Proprietà Immobiliari S.C.P.A.), Principe di San Daniele S.p.A., Sabaf S.p.A., Tubiflex S.p.A, Walvoil S.p.A. Standing Auditor of Bormioli Pharma S.p.A., Interpump Group S.p.A., Kipre Holding S.p.A., Sia.mo.ci S.r.l. and Sportswear Company S.p.A..
Andrea Mariani	48	Alternate Auditor	Statutory Auditor of Tech-Value S.p.A., Finindustria Italiana S.p.A., Sorelle Ramondo S.p.A., Finipar S.r.l., Finanziaria Immobiliare Costarica S.r.l., Confina S.r.l., Amon S.r.l., Deimos S.p.A., Essequattro S.p.A., Soram S.p.A., GB Ramonda Alimentari S.p.A. and ITH S.p.A.. Vice-Chair of PVM Fiduciaria S.r.l.
Massimiliano Alberto Tonarini	51	Alternate Auditor	Partner of Studio GFT & Partners – Milan. Statutory Auditor of Vgr Wind 129 S.p.A, Vgr Wind 819 S.p.A., Vgr Wind 840 S.p.A., Vgr Wind 070 S.p.A., Vgr Wind 030 S.p.A., Vgr Wind 060 S.p.A., Disma S.p.A.. CEO of BFS Partners S.p.A. Chairman of the board of directors of La Zolla Cooperativa sociale Onlus and director of Capfin S.p.A.

Conflicts of interest

As at the date hereof, the above mentioned members of the Board of Directors and Board of Statutory Auditors of the Issuer do not have any potential conflicts of interests between duties to the Issuer and their private interests or other duties.

Employees

As at 31 December 2018, TIP had a total of 15 employees. As at 30 September 2019, TIP had a total of 17 employees.

MATERIAL CONTRACTS

There are no material contracts entered into outside the ordinary course of TIP's activity that have been or may reasonably be expected to be material to its ability to meet its obligations to the Bondholders.

ADJUSTED FINANCIAL INFORMATION

With effect from 1 January 2018, the TIP Group was required to adopt IFRS 9 in preparing its financial statements. This resulted in a change in the accounting policies and criteria used from those applied for the preparation of the financial statements at 31 December 2017, with the consequent reclassifications and adjustments of the amounts in the financial statements. The company, as permitted by IFRS 9 at the time of transition, adopted the option to not adjust the 2017 figures presented for comparative purposes. The main effect of the adoption of IFRS 9 from 1 January 2018 resulted in the non-inclusion in the income statement of financial income relating to the reversal of the gains/losses on disposal of equity investments at the moment of their realisation. The fair value changes matured were recorded under "Increases/decreases in investments measured at FVOCI" of other comprehensive income without reversal through profit or loss, with counter-entry to the FVOCI reserves; at the time of sale, the cumulative gain was reversed from the FVOCI reserve directly to other equity reserves.

For comparable presentation to shareholders of period results in continuity with those of the previous years considered more representative, not only for operating purposes, of the effective results, the annual 2018 and first half 2018 and 2019 and the third quarter 2018 and 2019 adjusted income statement applying the same accounting standards for financial assets and liabilities in place at 31 December 2017 (IAS 39) is presented below. TIP believes that such presentation renders its presentation of results more comprehensible, and as such intends to continue providing such adjusted income statement data going forward.

With respect to the interpretation of such adjusted data, the Issuer notes that: (i) adjusted data differ significantly from the corresponding data that are included in or can be inferred from TIP's financial statements, (ii) adjusted data is calculated by management on the basis of accounting policies that are no longer applicable, (iii) adjusted data may be inconsistent with data adopted by other companies/groups and, as such, may not be comparable, and (iv) adjusted data must be read in conjunction with TIP's financial statements.

The adjusted data start from, but are different in nature from, TIP's financial statements. PricewaterhouseCoopers S.p.A. is the independent auditor of FIP, but no procedures have been performed in respect of the adjusted data with the objective of expressing an opinion on such adjusted data and no opinion has been expressed on the adjusted data. Investors should not place undue reliance on the adjusted data, which could result in an incorrect assessment of the economic, equity and/or financial position of TIP and thus make an incorrect, non-advisable or inadequate investment decision. See "*Risk Factors – The adjusted data included in this Prospectus have been presented to facilitate an understanding of TIP's results; they are not indicative of TIP's future performance and reliance on such data without understanding the limitations described below could lead to an incorrect assessment of TIP's financial position*".

Adjusted financial information as 31 December 2018

Consolidated income statement (in €)	IFRS 9 31/12/2018	Reclassification to income statement of capital gain realised	Reclassification to income statement of adjustments to financial assets	Reversal of convertible fair value adjustments	PRO FORMA 31/12/2018	31/12/2017
Total revenues	**11,036,008**				**11,036,008**	**7,213,694**
Purchases, service and other costs	(2,979,278)				(2,979,278)	(2,018,266)
Personnel expenses	(18,385,432)				(18,385,432)	(15,609,419)
Amortisation, depreciation & write-downs	(58,739)				(58,739)	(70,096)
Operating profit/(loss)	**(10,387,441)**	**0**	**0**	**0**	**(10,387,441)**	**(10,484,087)**
Financial income	19,419,199	96,707,970		(28,821)	116,098,348	52,518,451
Financial charges	(7,802,272)				(7,802,272)	(6,394,134)
Profit before adjustments to investments	**1,229,486**	**96,707,970**	**0**	**(28,821)**	**97,908,635**	**35,640,230**
Share of profit/(loss) of associates measured under the equity method	29,214,745				29,214,745	35,916,552
Adjustments to financial assets	0		(40,695,832)		(40,695,832)	0
Profit before taxes	**30,444,231**	**96,707,970**	**(40,695,832)**	**(28,821)**	**86,427,548**	**71,556,782**
Current and deferred taxes	(609,186)	(1,170,190)		(5,620)	(1,784,996)	530,166
Profit of the period	**29,835,045**	**95,537,780**	**(40,695,832)**	**(34,441)**	**84,642,552**	**72,086,948**
Profit/(loss) of the period attributable to the shareholders of the parent	**27,004,846**				**59,530,152**	**71,765,289**
Profit/(loss) of the period attributable to the minority interest	**2,830,199**				**25,112,400**	**321,659**

Adjusted financial information as 30 June 2019

Consolidated income statement (in €)	IFRS 9 30/6/2019	Reclassification to income statement of capital gain realised	Reclassification to income statement of adjustments to financial assets	Reversal of convertible fair value adjustments	PRO FORMA 30/6/2019	PRO FORMA 30/6/2018
Total revenues	**5,327,259**				**5,327,259**	**1,642,744**
Purchases, service and other costs	(1,102,206)				(1,102,206)	(1,553,360)
Personnel expenses	(8,876,126)				(8,876,126)	(16,651,263)
Amortisation, depreciation & write-downs	(172,063)				(172,063)	(29,731)
Operating profit/(loss)	**(4,823,136)**	**0**	**0**	**0**	**(4,823,136)**	**(16,591,610)**
Financial income	6,947,352	22,874,401		(137,705)	29,684,048	111,789,757
Financial charges	(4,033,682)				(4,033,682)	(3,490,710)
Profit before adjustments to investments	**(1,909,466)**	**22,874,401**	**0**	**(137,705)**	**20,827,230**	**91,707,437**
Share of profit/(loss) of associates measured under the equity method	6,445,435	15,672,505			22,117,940	8,450,557
Adjustments to financial assets	0		(1,747,986)		(1,747,986)	(7,312,229)
Profit / (loss) before taxes	**4,535,969**	**38,546,906**	**(1,747,986)**	**(137,705)**	**41,197,184**	**92,845,765**
Current and deferred taxes	1,020,961	(240,714)			780,247	(203,173)
Profit / (loss) of the period	**5,556,930**	**38,306,192**	**(1,747,986)**	**(137,705)**	**41,977,431**	**92,642,592**
Profit/(loss) of the period attributable to the shareholders of the parent	**5,087,704**				**41,508,205**	**67,691,116**
Profit/(loss) of the period attributable to the minority interest	**469,226**				**469,226**	**24,951,476**

Adjusted financial information as 30 September 2019

Consolidated income statement (in €)	**IFRS 9 30/09/2019**	**Reclassification to income statement of capital gain realised**	**Reclassification to income statement of adjustments to financial assets**	**Reversal of convertible fair value adjustments**	**PRO FORMA 30/9/2019**	**PRO FORMA 30/9/2018**
Total revenues	**6,128,395**				**6,128,395**	**3,871,917**
Purchases, service and other costs	(1,754,691)				(1,754,691)	(2,296,186)
Personnel expenses	(16,959,806)				(16,959,806)	(18,034,331)
Other income	3,429,524				3,429,524	0
Amortisation, depreciation & write-downs	(258,629)				(258,629)	(43,987)
Operating profit/(loss)	**(9,415,207)**	**0**	**0**	**0**	**(9,415,207)**	**(16,502,587)**
Financial income	25,678,524	32,558,735		(134,577)	58,102,682	113,357,491
Financial charges	(6,616,640)				(6,616,640)	(5,588,073)
Profit before adjustments to investments	**9,646,677**	**32,558,735**	**0**	**(134,577)**	**42,070,836**	**91,266,831**
Share of profit/(loss) of associates measured under the equity method	16,302,414	33,672,058			49,974,472	11,721,416
Adjustments to financial assets	0		(6,705,162)		(6,705,162)	(7,312,229)
Profit / (loss) before taxes	**25,949,092**	**66,230,793**	**(6,705,162)**	**(134,577)**	**85,340,146**	**95,676,018**
Current and deferred taxes	(553,165)	(356,926)			(910,091)	(119,885)
Profit / (loss) of the period	**25,395,927**	**65,873,867**	**(6,705,162)**	**(134,577)**	**84,430,055**	**95,556,133**
Profit/(loss) of the period attributable to the shareholders of the parent	**24,320,672**				**83,354,800**	**70,757,227**

Profit/(loss) of the period attributable to the minority interest	**1,075,255**				**1,075,255**	**24,798,906**

USE AND ESTIMATED NET AMOUNT OF PROCEEDS

The estimated net proceeds of the issue of the Bonds, after deduction of commissions, fees, and estimated expenses, will be €297,363,000 and will be used for general corporate purposes, including the refinancing of outstanding indebtedness.

TERMS AND CONDITIONS OF THE BONDS

The following subject to modification and except for provisions in italics are the terms and conditions substantially in the form in which they will be endorsed on the Bonds:

The €300,000,000 2.500 per cent. Bonds due 5 December 2024 (the "**Bonds**", which expression includes any further bonds issued pursuant to Condition 15 (*Further issues*) and forming a single series with the Bonds) of Tamburi Investment Partners S.p.A. (the "**Issuer**") are issued on 5 December 2019 (the "**Issue Date**") and are constituted by, and have the benefit of, a trust deed dated 5 December 2019 (as amended or supplemented from time to time, the "**Trust Deed**") between the Issuer and Lucid Trustee Services Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) as trustee for the holders of the Bonds (the "**Bondholders**" and the holders of the interest coupons appertaining to the Bonds (the "**Couponholders**" and the "**Coupons**", respectively). The issue of the Bonds was authorised by a resolution of the Board of Directors of the Issuer passed on 8 November 2019. These terms and conditions (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed, which includes the form of the Bonds and the Coupons. Copies of the Trust Deed, and of the Paying Agency Agreement (the "**Paying Agency Agreement**") dated the Issue Date relating to the Bonds between the Issuer, the Trustee and the initial principal paying agent and the other paying agents named in it, are available for inspection during usual business hours at the registered office of the Trustee (presently at 6th Floor, No 1 Building 1-5 London Wall Buildings, London Wall, London United Kingdom, EC2M 5PG) and at the specified offices of BNP Paribas Securities Services, Luxembourg Branch as principal paying agent for the time being (the "**Principal Paying Agent**") and the other paying agents for the time being (the "**Paying Agents**", which expression shall include the Principal Paying Agent). The Bondholders and the Couponholders (whether or not attached to the relevant Bonds) are entitled to the benefit of, are bound by, and are deemed to have notice of, all the provisions of the Trust Deed and are deemed to have notice of those provisions applicable to them of the Paying Agency Agreement. Subject to and as set forth in Condition 8 (*Taxation*), the Issuer will not be liable to pay any additional amounts to Bondholders in relation to any withholding or deduction required pursuant to Decree 239 where the Bonds are held by a person or entity resident or established in a country that does not allow for satisfactory exchange of information with the Italian tax authorities and otherwise in the circumstance described in Condition 8 (*Taxation*).

1 Definitions and interpretation

(a) **Definitions**: In these Conditions:

"**Associated Company**" means a company (a) classified as an "Associated Company measured under the equity method" in the Issuer's Most Recent Financial Statements and (b) whose main activity is managing one or more of TIP's direct or indirect participations in other companies.

"**Business Day**" means, a day on which commercial banks and foreign exchange markets in London and Milan are open.

"**Event of Default**" has the meaning given to it in Condition 9 (*Events of Default*).

"**Interest Period**" means the period beginning on and including the Issue Date and ending on but excluding the first Interest Payment Date and each successive period beginning on and including an Interest Payment Date and ending on but excluding the next succeeding Interest Payment Date.

"**Listed Company**" means a company with its shares admitted to trading on an EEA regulated market or other recognised stock exchange in the EEA.

"**Material Group Company**" means:

(i) Asset Italia S.p.A., Asset Italia 1 S.p.A., Asset Italia 2 S.p.A., Clubitaly S.p.A., Clubtre S.p.A., Clubdue S.r.l., StarTIP S.r.l., TIP-Pre Ipo S.p.A. and TXR S.r.l.; and

(ii) any Associated Company whose book value as reported in the Issuer's Most Recent Financial Statements accounts for more than 15% of the total consolidated assets of the Issuer as reported in the Issuer's Most Recent Financial Statements,

provided that, subject to the proviso below, at any relevant time a Subsidiary or Associated Company of the Issuer to which is transferred the whole or substantially the whole of the undertaking of a Material Group Company shall be a Material Group Company and *provided further that*, in each case, a Listed Company shall not be a Material Group Company (and to the extent a company that qualifies as a Material Group Company subsequently becomes a Listed Company, such company shall cease to be Material Group Company on the relevant date of listing).

"**Most Recent Financial Statements**" means the most recently published annual audited consolidated financial statements of the Issuer.

"Permitted Reorganisation" means: any solvent amalgamation, merger, demerger or reconstruction involving the Issuer under which the whole or substantially the whole of the assets and liabilities of the Issuer are assumed by the entity resulting from such amalgamation, merger, demerger or reconstruction, and such entity (i) assumes all the obligations of the Issuer in respect of the Bonds and an opinion of an independent legal adviser of internationally recognised standing has been delivered to the Trustee, on behalf of the Bondholders, confirming the same prior to the effective date of such amalgamation, merger or reconstruction, and (ii) carries on, as a successor to the Issuer, the whole or substantially the whole of the business carried on by the Issuer immediately prior thereto.

"**Person**" means any individual, company, corporation, firm, partnership, joint venture, association, organisation, state or agency of a state or other entity, whether or not having separate legal personality.

"**Relevant Date**" means whichever is the later of (i) the date on which such payment first becomes due and (ii) if the full amount payable has not been received by the Principal Paying Agent or the Trustee on or prior to such due date, the date on which, the full amount having been so received, notice to that effect shall have been given to the Bondholders.

"**Relevant Indebtedness**" means any present or future indebtedness which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be, or are capable of being, quoted, listed or dealt in or traded on any stock exchange or over-the-counter or other securities market.

"**Subsidiary**" or "**Subsidiaries**" means any entity whose financial statements at any time are required by law or in accordance with generally accepted accounting principles to be fully consolidated with those of the Issuer.

"**TARGET Settlement Day**" means any day on which the TARGET System is open.

"**TARGET System**" means the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which was launched on 19 November 2007 or any successor thereto.

"**Taxes**" means any tax, levy, impost, duty or other charge or withholding of a similar nature.

(b) **Interpretation**: In these Conditions:

(i) any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under Condition 8 (*Taxation*) or any undertaking given in addition to or substitution for it under the Trust Deed; and

(ii) any reference in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to Condition 15 (*Further issues*) and forming a single series with the Bonds.

2 Form, Denomination and Title

(a) **Form and denomination:** The Bonds are serially numbered and in bearer form in the denominations of €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000 each with Coupons attached on issue. No Bonds in definitive form will be issued with a denomination above €199,000.

(b) **Title:** Title to the Bonds and Coupons passes by delivery. The Bondholder or Couponholder will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no Person will be liable for so treating such holder.

3 Status

The Bonds and Coupons constitute direct, unconditional and (subject to Condition 4 (*Negative Pledge*)) unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds and the Coupons shall, save for such exceptions as may be provided by applicable legislation and subject to Condition 4 (*Negative Pledge*), at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

4 Negative Pledge

So long as any Bond or Coupon remains outstanding (as defined in the Trust Deed), the Issuer will not, and will ensure that none of the Material Group Companies will, create, or have outstanding, any mortgage, charge, lien, pledge or other security interest, upon the whole or any part of its present or future business, undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness or to secure any guarantee or indemnity in respect of any Relevant Indebtedness, without at the same time or prior thereto affording to the Bonds and the Coupons the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as either (i) the Trustee shall in its absolute discretion deem not materially less beneficial to the interests of the Bondholders or (ii) shall be approved by an Extraordinary Resolution (as defined in the Trust Deed) of the Bondholders.

5 Interest

The Bonds bear interest from and including the Issue Date at the rate of 2.500 per cent. per annum, payable annually in arrear in equal instalments of €25.00 per Calculation Amount (as defined below) on 5 December in each year, commencing on 5 December 2020 (each an "**Interest Payment Date**"). Each Bond will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event it shall continue to bear interest at such rate (both before and after judgment) until whichever is the earlier of (a) the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder, and (b) the day seven days after the Principal Paying Agent has notified Bondholders of receipt of all sums due in respect of all the Bonds up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

Save as provided above in relation to equal instalments, the day-count fraction will be calculated on an "Actual/Actual ICMA" basis as follows:

(a) if the Accrual Period is equal to or shorter than the Determination Period during which it falls, the day-count fraction will be the number of days in the Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(b) if the Accrual Period is longer than one Determination Period, the day-count fraction will be the sum of:

(i) the number of days in such Accrual Period falling in the Determination Period in which it begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year; and

(ii) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (a) the number of days in such Determination Period and (2) the number of Determination Periods normally ending in any year

where:

"**Accrual Period**" means the relevant period for which interest is to be calculated (from and including the first such day to but excluding the last); and

"**Determination Period**" means the period from and including 5 December in any year to but excluding the next 5 December.

Interest in respect of any Bond shall be calculated per €1,000 in principal amount of the Bonds (the "**Calculation Amount**"). The amount of interest payable per Calculation Amount for any period shall, save as provided above in relation to the First Interest Period, be equal to the product of 2.500 per cent., the Calculation Amount and the day-count fraction (calculated on a "Actual/Actual (ICMA)" basis as set out above) for the relevant period, rounding the resulting figure to the nearest cent (half a cent being rounded upwards).

6 Redemption and Purchase

(a) **Final redemption:** Unless previously redeemed, or purchased and cancelled, as provided below, the Bonds will be redeemed at their principal amount on 5 December 2024 (the "**Maturity Date**"). The Bonds may not be redeemed at the option of the Issuer other than in accordance with this Condition 6 (*Redemption and Purchase*).

(b) **Redemption for taxation reasons:** The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if (i) the Issuer satisfies the Trustee immediately prior to the giving of such notice that it has or will become obliged to pay additional amounts as provided or referred to in Condition 8 (*Taxation*) as a result of any change in, or amendment to, the laws or regulations of the Republic of Italy or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date, and (ii) such obligation cannot be avoided by the Issuer taking reasonable measures available to it, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this Condition 5(b) (*Interest*), the Issuer shall deliver to the Trustee (A) a certificate signed by two duly Authorised Signatories of the Issuer stating that the obligation referred to in (i) above cannot be avoided by the Issuer taking reasonable measures available to it and (B) an opinion of independent legal advisors of recognised international standing to the effect that the Issuer has or will be obliged to pay such additional amounts as a result of such change and the Trustee shall be entitled to accept and rely absolutely on such certificate and legal opinion (without enquiry or liability to any Person) as sufficient evidence of the satisfaction of the condition precedent set out in (ii) above, in which event it shall be conclusive and binding on the Bondholders and the Couponholders.

(c) **Redemption at the option of the Issuer (make whole call):** The Issuer may, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders in accordance with Condition 16 (the "**Optional Redemption Date**"), redeem the Bonds then outstanding in whole, but not in part, at the Make Whole Amount together with interest accrued to but excluding the Optional Redemption Date.

In this Condition:

"Make Whole Amount" means an amount which is the higher of: (A) 100 per cent. of the principal amount of the Bond to be redeemed; and (B) as determined by the Reference Dealers (as defined below) the sum of the then current values of the remaining scheduled payments of principal and interest (not including any interest accrued on the Bond to, but excluding, the Optional Redemption Date) discounted to the Optional Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) 366) at the Reference Bond Rate plus the Redemption Margin;

"Determination Agent" means an investment bank or financial institution of international standing selected by the Issuer;

"**Redemption Margin**" shall be 0.500 per cent. per annum;

"**Reference Bond**" shall be the German government bond bearing interest at a rate of 0.00 per cent. per annum and maturing on 18 October 2024 with ISIN DE0001141802;

"**Reference Dealers**" shall be each of the four banks selected by the Determination Agent which are primary European government security dealers, and their respective successors, or market makers in pricing corporate bond issues;

"**Reference Bond Rate**" means the average of the four quotations given by the Reference Dealers on the fourth Business Day prior to the Optional Redemption Date (the "**Calculation Date**") at 11.00 a.m. (Central European time ("**CET**")) of the mid-market annual yield to maturity of the Reference Bond. If the Reference Bond is no longer outstanding, a Similar Security will be chosen by the Determination Agent after prior consultation with the Issuer if practicable under the circumstances, at 11.00 a.m. (CET) on the Calculation Date, quoted in writing by the Determination Agent to the Issuer and published in accordance with Condition 16 (*Notices*); and

"**Similar Security**" means a reference bond or reference bonds issued by the German Government having an actual or interpolated maturity comparable with the remaining term of the Bonds that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of the Bonds.

(d) **Redemption at the option of Bondholders upon a Change of Control:** Promptly and in any event within 15 Business Days after the occurrence of a Change of Control (as defined below), the Issuer will give written notice thereof (a "**Change of Control Notice**") to the Bondholders in accordance with Condition 16 (*Notices*) and to the Trustee, which Change of Control Notice shall (i) refer specifically to this Condition 6(d) (*Redemption at the option of the Bondholders upon a Change of Control*), (ii) describe in reasonable detail the event or circumstances resulting in the Change of Control, (iii) specify the date for redemption of the Bonds, which shall be a Business Day not less than 45 days and not more than 90 days after the date that such Change of Control Notice is given in accordance with Condition 16 (*Notices*) ("**Change of Control Redemption Date**"), (iv) offer to redeem, on the Change of Control Redemption Date, all Bonds at 100 per cent. of their principal amount (the "**Change of Control Redemption Amount**") together with interest accrued thereon to the Change of Control Redemption Date and (v) specify the date by which a Bondholder must provide written notice to the Issuer of such Bondholder's redemption, which shall be not less than 15 days prior to the Change of Control Redemption Date (the "Change of Control Response Date"). For so long as the Bonds are listed on the regulated market of Euronext Dublin and the rules of such exchange so require, the Issuer shall also notify Euronext Dublin promptly of any Change of Control. The Issuer shall redeem on the Change of Control Redemption Date all of the Bonds held by Bondholders that require redemption at the Change of Control Redemption Amount. If any Bondholder does not require early redemption on or before the Change of Control Response Date, such Bondholder shall be deemed to have waived its rights under this Condition 6(d) (*Redemption at the option of the Bondholders upon a Change of Control*) to require early redemption of all Bonds held by such Bondholder in respect of such Change of Control but not in respect of any subsequent Change of Control.

To exercise the right to require early redemption of any Bonds, a Bondholder must deliver at the specified office of any Paying Agent, on any Business Day before the Change of Control Response Date, a duly signed and completed notice of exercise in the form (for the time being current and which may, if such Bonds are held in a clearing system, be in any form acceptable to such clearing system and may be delivered in any manner acceptable to such clearing system) obtainable from the specified office of any Paying Agent (a "**Put Notice**") and in which the Bondholder must specify a bank account to which payment is to be made under this Condition 6(d) (*Redemption at the option of the Bondholders upon a Change of Control*) accompanied by such Bonds or evidence satisfactory to the Paying Agent concerned that such Bonds will, following the delivery of the Put Notice, be held to its order or under its control. A Put Notice given by a Bondholder shall be irrevocable except where, prior to the Change of Control Redemption Date, an Event of Default has occurred and is continuing in which event such Bondholder, at its option, may elect by notice to the Issuer to withdraw the Put Notice.

For the purposes of this Condition 6(d) (*Redemption at the option of the Bondholders upon a Change of Control*):

"**acting in concert**" means a group of Persons acting together pursuant to an agreement or understanding (whether formal or informal)

a "**Change of Control**" shall be deemed to have occurred if one or more Person or Persons acting in concert (other than a Permitted Shareholder, or one or more Permitted Shareholders acting in concert with any Person or Persons, or any Person or Persons acting in concert with one or more of the Management Shareholders) acquire (directly or indirectly) Control of the Issuer;

"**Control**" means owning such percentage of the voting share capital of the Issuer as would (i) trigger a mandatory tender offer under Italian laws and regulations applicable from time to time and/or (ii) grant the right to appoint or remove by contract or otherwise the majority of the directors of the Issuer and/or otherwise exercise control (as such term is defined in Article 93 of the Legislative Decree No. 58 of 24 February 1998, as amended from time to time) over the Issuer;

"**Management Shareholders**" and each, a "**Management Shareholder**" means each of Giovanni Tamburi (*codice fiscale*: TMBGNN54D21H501H), Alessandra Gritti (*codice fiscale*: GRTLSN61D53L682A) and Claudio Berretti (*codice fiscale*: BRRCLD72M23D612A); and

"**Permitted Shareholder**" means (i) any Person or Persons acting in concert holding directly or indirectly as at the Issue Date more than 7.5 per cent. of the voting rights exercisable in the ordinary shareholders meeting of the Issuer and (ii) the Management Shareholders.

(e) **Redemption following a Substantial Purchase Event (Clean-Up Call):** If a Substantial Purchase Event has occurred, then the Issuer may at any time, subject to having given not less than 15 nor more than 30 days' notice, in accordance with Condition 16 (*Notices*), to the Bondholders and the Trustee (which notice shall be irrevocable), redeem the Bonds in whole, but not in part, in accordance with these Conditions at their principal amount, together with any accrued and unpaid interest up to (but excluding) the date of redemption.

All Bonds in respect of which any such notice is given shall be redeemed on the date specified in such notice in accordance with this Condition.

A "**Substantial Purchase Event**" shall be deemed to have occurred if at any time 15 per cent. or less of the aggregate principal amount of the Bonds originally issued (which for these purposes shall include any further Bonds issued subsequently pursuant to Condition 15 (*Further Issues*)) remains outstanding.

(f) **Redemption at the option of the Issuer (Issuer Maturity Par Call):** The Issuer may, having given not less than 15 nor more than 30 days' notice, in accordance with Condition 16 (*Notices*), to the Bondholders and the Trustee (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Bonds then outstanding in whole, but not in part, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at their principal amount, together with any accrued and unpaid interest up to (but excluding) the date of redemption.

(g) **Notice of redemption:** All Bonds in respect of which any notice of redemption is given under this Condition shall be redeemed on the date specified in such notice in accordance with this Condition.

(h) **Purchase:** The Issuer and its Subsidiaries may at any time purchase Bonds in the open market or otherwise at any price (provided that, if they should be cancelled under Condition 6(i) (*Cancellation*) below, they are purchased together with all unmatured Coupons relating to them). The Bonds so purchased, while held by or on behalf of the Issuer, shall not entitle the Bondholder to vote at any meetings of the Bondholders and shall not be deemed to be outstanding for the purposes of calculating quorums at meetings of the Bondholders or for the purposes of Condition 12(a) (*Meetings of Bondholders*) and the Trust Deed. Such Bonds may be held, reissued, resold or, at the option of the Issuer, surrendered to the Principal Paying Agent for cancellation.

(i) **Cancellation:** All Bonds which are (i) purchased by or on behalf of the Issuer or any of its Subsidiaries and surrendered for cancellation or (ii) redeemed, and any unmatured Coupons attached to or surrendered with them will be cancelled and may not be re-issued or resold.

7 Payments

(a) **Method of Payment:** Payments of principal and interest will be made against presentation and surrender (or, in the case of a partial payment, endorsement) of Bonds or the appropriate Coupons (as the case may be) at the specified office of any Paying Agent (subject to Condition 7(b) (*Payments subject to fiscal laws*) below) by transfer to a Euro account specified by the payee with a bank in a city in which banks have access to the TARGET System. Payments of interest due in respect of any Bond other than on presentation and surrender of matured Coupons shall be made only against presentation and either surrender or endorsement (as appropriate) of the relevant Bond.

(b) **Payments subject to fiscal laws:** All payments are subject in all cases to any applicable fiscal or other laws and regulations in the place of payment, but without prejudice to the provisions of Condition 8 (*Taxation*). No commissions or expenses shall be charged to the Bondholders or Couponholders in respect of such payments.

(c) **Surrender of unmatured Coupons:** Each Bond should be presented for redemption together with all unmatured Coupons relating to it, failing which the amount of any such missing unmatured Coupon (or, in the case of payment not being made in full, that proportion of the amount of such missing unmatured Coupon which the sum of principal so paid bears to the total principal amount due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relevant missing Coupon not later than 10 years after the Relevant Date (as defined in Condition 8 (*Taxation*)) for the relevant payment of principal.

(d) **Payments on business days:** A Bond or Coupon may only be presented for payment on a day which is a business day in the place of presentation and, in the case of payment by credit or transfer to a Euro account as described above, is a TARGET Settlement Day. No further interest or other payment will be made as a consequence of the day on which the relevant Bond or Coupon may be presented for payment under this Condition 7 (*Payments*) falling after the due date. In this Condition "**business day**" means a day on which commercial banks and foreign exchange markets are open in the relevant city.

(e) **Paying Agents:** The initial Paying Agents and their initial specified offices are listed in the Paying Agency Agreement. The Issuer reserves the right at any time with the prior written approval of the Trustee to vary or terminate the appointment of any Paying Agent and appoint additional or other Paying Agents, provided that it will maintain (i) a Principal Paying Agent and (ii) Paying Agents having specified offices in at least two major European cities outside Italy. Notice of any change in the Paying Agents or their specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 16 (*Notices*) and to the Trustee.

8 Taxation

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds and the Coupons shall be made free and clear of any withholding or deduction for any Taxes, unless such withholding or deduction is required by Italian law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders and the Couponholders of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond or Coupon:

(a) presented for payment in the Republic of Italy; or

(b) presented for payment by or on behalf of a Bondholder who is liable to such Taxes, in respect of such Bond or Coupon by reason of his having some connection with the Republic of Italy other than the mere holding of the Bond or Coupon; or

(c) presented for payment by, or on behalf of, a Bondholder who is entitled to avoid such withholding or deduction in respect of the Bond or Coupon by making a declaration or any other statement to the relevant tax authority, including, but not limited to, a declaration of residence or non-residence or other similar claim for exemption, and fails to do so in due time; or

(d) in the event of payment to a non-Italian resident legal entity or a non-Italian resident individual, to the extent that interest or other amounts are paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information with the Italian tax authorities; or

(e) on account of *imposta sostitutiva* pursuant to Legislative Decree No. 239 of 1 April 1996 (as, or as may subsequently be, amended or supplemented) and related regulations of implementation which have been, or may subsequently be, enacted ("**Decree 239**") and for the avoidance of any doubt, pursuant to Italian Legislative Decree No. 461 of November 21, 1997 ("**Decree 461**") and any related implementing regulations, with respect to any Bond or Coupon, including all circumstances in which the procedures to obtain an exemption from *imposta sostitutiva* or any alternative future system of deduction or withholding set forth in Decree 239, have not been met or complied with, except where such procedures have not been met or complied with due to the actions or omissions of the Issuer or its agents; or

(f) any combination of the items above.

For the avoidance of doubt, notwithstanding any other provision of the Conditions, any amounts to be paid on any Bond by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or otherwise imposed pursuant to Sections 1471 to 1474 of the Code (or any regulations thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other Person will be required to pay any additional amounts in respect of FATCA Withholding.

Any reference in these Conditions to principal and/or interest shall be deemed to include any additional amounts which may be payable under this Condition or any undertaking given in addition to or substitution for it under the Trust Deed.

9 Events of Default

If any of the following events occurs and is continuing the Trustee at its discretion may, and if so requested by Bondholders of at least one-fifth in principal amount of the Bonds then outstanding or if so directed by an Extraordinary Resolution of the Bondholders shall, subject in each case to being indemnified and/or secured and/or prefunded to its satisfaction, give notice to the Issuer that the Bonds are, and they shall immediately become, due and payable at their principal amount together (if applicable) with accrued interest:

(a) **Non-Payment:** the Issuer fails to pay the principal of or any interest on any of the Bonds when due and such failure continues for a period of seven days in the case of principal and 14 days in the case of interest; or

(b) **Breach of Other Obligations:** the Issuer fails to perform or comply with any one or more of its other obligations under the Conditions of the Bonds or the Trust Deed and (except in any case where (in the opinion of the Trustee) the failure is incapable of remedy, when no such continuation or notice as is hereafter mentioned will be required) such failure continues for a period of 30 days after notice of such default has been given to the Issuer by the Trustee or

(c) **Cross-Default:** (i) any other present or future indebtedness of the Issuer or any Material Group Company for or in respect of moneys borrowed or raised becomes due and payable prior to its stated maturity by reason of any actual or potential default, event of default or the like (howsoever described), or (ii) any such indebtedness is not paid when due or, as the case may be, within any originally applicable grace period, or (iii) the Issuer or any Material Group Company fails to pay when due any amount payable by it under any present or future guarantee for, or indemnity in respect of, any present or future indebtedness for or in respect of moneys borrowed or raised provided that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned above in this Condition 9(c) (*Cross-Default*) have occurred equals or exceeds €30,000,000 or its equivalent or

(d) **Enforcement Proceedings:** a distress, attachment, execution or other legal process (or more than one such legal process) is levied, enforced or sued on or against any part of the property, assets or revenues of the Issuer or any Material Group Company having an aggregate value of at least €30,000,000 or its equivalent unless any such distress, attachment, execution or other legal process (i) is being disputed in good faith with a reasonable prospect of success as confirmed by an opinion of independent legal advisers of recognised standing or (ii) is not discharged or stayed within 30 days or

(e) **Security Enforced:** any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any Material Group Company becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, manager or other similar Person), provided that the aggregate amount of the relevant secured obligations in relation to which such security or encumbrance is enforced equals or exceeds €30,000,000 or its equivalent; or

(f) **Insolvency:** the Issuer or any Material Group Company is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed or declared in respect of or affecting all or any part of (or of a particular type of) the debts of the Issuer or any Material Group Company or

(g) **Cessation of business:** the Issuer or any Material Group Company ceases or threatens to cease to carry on the whole or substantially the whole of its business activities, save for (i) the purposes of reorganisation on terms approved by an Extraordinary Resolution or (ii) the purposes of a Permitted Reorganisation, or (iii) any transaction under which any of the assets of the Issuer or any Material Group Company or any entity through which the Issuer holds, directly or indirectly, an investment are transferred, sold, assigned or contributed to a third party or parties (whether associated or not) for full consideration received by the Issuer or any Material Group Company or any such entity on an arm's length basis or (iv) the payment of dividends (including extraordinary dividends) by the Issuer; or

(h) **Analogous event:** any event occurs which, under any applicable laws has an analogous effect to any of the events referred to in Conditions 9(d) (*Enforcement proceedings*) to 9(g) (*Cessation of business*) (both inclusive); or

(i) **Unlawfulness:** 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 Bonds or the Trust Deed

provided that in the case of Condition 9(b), 9(g) and 9(h) the Trustee shall have certified to the Issuer that in its opinion such event is materially prejudicial to the interests of the Bondholders.

10 Prescription

Claims in respect of principal and interest will become void unless presentation for payment is made as required by Condition 6 (*Redemption and Purchase*) within a period of 10 years in the case of principal and five years in the case of interest from the appropriate Relevant Date.

11 Replacement of Bonds and Coupons

If any Bond or Coupon is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Principal Paying Agent subject to all applicable laws and stock exchange or other relevant authority requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Bonds or Coupons must be surrendered before replacements will be issued.

12 Meetings of Bondholders, Modification, Waiver and Substitution

(a) **Meetings of Bondholders:** The Trust Deed contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution (as defined in the Trust Deed) of a modification of any of these Conditions or any provisions of the Trust Deed. Such provisions are subject to the Issuer's by-laws in force from time to time and the mandatory provisions of Italian law (including, without limitation, Legislative Decree No. 58 of 24 February 1998, as amended) in force from time to time.

Accordingly, the provisions for meetings of the Bondholders contained in the Trust Deed shall be deemed to be amended, replaced and supplemented to the extent that any Italian laws, legislation, rules and regulations dealing with the meetings of the Bondholders or the relevant provisions in the by-laws of the Issuer are amended at any time while the Bonds remain outstanding.

In accordance with Article 2415 of the Italian Civil Code, the meeting of Bondholders is empowered to resolve upon the following matters: (i) the appointment and revocation of a joint representative (*rappresentante comune*) of the Bondholders, having the powers and duties set out in Article 2418 of the Italian Civil Code; (ii) any amendment to these Conditions; (iii) motions for composition with creditors (concordato) of the Issuer; (iv) establishment of a fund for the expenses necessary for the protection of the common interests of the Bondholders and the related statements of account; and (v) on any other matter of common interest to the Bondholders. The Issuer (through its board of directors (*consiglio di amministrazione*) or, as the case may be, its management board (*consiglio di gestione*)), the Bondholders' Representative (as defined below) may convene a meeting at any time and shall be obliged (subject as aforesaid) to do so upon the request in writing of Bondholders holding not less than one-twentieth of the aggregate principal amount of the outstanding Bonds. If the Issuer or the Bondholders' Representative defaults in convening such a meeting following such request or requisition by the Bondholders representing not less than one-twentieth of the aggregate principal amount of the Bonds outstanding, the statutory auditors (*collegio sindacale*) shall do so or, if they so default, the same may be convened by decision of the competent court upon request by such Bondholders. Every such meeting shall be held at such time and place as provided pursuant to Article 2363 of the Italian Civil Code

According to the Italian Civil Code and the Issuer's by-laws as of the Issue Date such meetings will be validly held if (i) in the case of a first meeting (*prima convocazione*), there are one or more persons present being or representing Bondholders holding at least one-half of the aggregate principal amount of the outstanding Bonds; (ii) in the case of a second meeting (*seconda convocazione*) there are one or more persons present being or representing Bondholders holding more than one third of the aggregate principal amount of the Bonds for the time being outstanding; and (iii) in the case of a third meeting there are one or more persons present being or representing Bondholders holding in aggregate at least one fifth of the aggregate principal amount of the Bonds for the time being outstanding, provided, however, that Italian law and/or the by-laws of the Issuer may from time to time (to the extent permitted under applicable Italian law) require a higher quorum at any of the above meetings.

The majority required for a meeting (including any adjourned meeting) convened to vote on any resolution (subject to compliance with mandatory laws, legislation, rules and regulations of Italy in force from time to time) will be (a) for voting on any matter other than a Reserved Matter, one or more persons holding or representing at least two-thirds of the aggregate principal amount of the outstanding Bonds represented at the meeting or (b) for voting on a Reserved Matter, one or more persons holding or representing not less than one-half of the aggregate principal amount of the outstanding Bonds, unless a higher majority is required pursuant to Article 2369 of the Italian Civil Code, and further provided that in each case Italian law and/or the by-laws of the Issuer may from time to time (to the extent permitted under applicable Italian law) require a larger and/or different majority.

The Bonds shall not entitle the Issuer to participate and vote in the Bondholders' meetings. Directors and statutory auditors of the Issuer shall be entitled to attend the Bondholders' meetings. The resolutions validly adopted at any such meetings shall be binding on all Bondholders whether present or not at the meeting and irrespective of whether they voted in favour or against the resolution, and on all Couponholders.

Reserved Matter has the meaning given to it in the Trust Deed and includes any proposal, as set out in Article 2415, paragraph 1, item 2 of the Italian Civil Code, to modify the Conditions of the Bonds (including, *inter alia*, any proposal to modify the maturity of the Bonds or the dates on which interest is payable on them, to reduce or cancel the principal amount of, or interest on, the Bonds, or to change the currency of payment of the Bonds).

(b) **Bondholders' Representative**: A joint representative of Bondholders (*rappresentante comune*) (the "**Bondholders' Representative**"), subject to any applicable provisions of Italian law, may be appointed in accordance with and pursuant to Articles 2415 and 2417 of the Italian Civil Code in order to represent the Bondholders' interests under these Conditions and to give effect to the resolutions passed at a meeting of the Bondholders. If the Bondholders' Representative is not appointed by a meeting of the Bondholders, it may be appointed by a decree of the competent court at the request of one or more Bondholders or at the request of the directors of the Issuer. The Bondholders' Representative shall have the powers and duties set out in Article 2418 of the Italian Civil Code and shall remain appointed for a maximum period of three years but may be reappointed again thereafter.

(c) **Modification and Waiver:** The Trustee may agree, without the consent of the Bondholders or Couponholders, to (i) any modification which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error or an error which is, in the opinion of the Trustee, proven, or (ii) any modification (except as mentioned in the Trust Deed and to the extent permitted under applicable Italian law), or any waiver or authorisation of any breach or proposed breach, of any of the provisions of these Conditions or the Trust Deed or determine that any Event of Default or a Potential Event of Default (each as defined in the Trust Deed) shall not be treated as such, provided that, in any such case, it is not, in the opinion of the Trustee, materially prejudicial to the interests of the Bondholders. Any such modification, authorisation or waiver shall be binding on the Bondholders and the Couponholders and, if the Trustee so requires, such modification shall be notified to the Bondholders as soon as practicable.

(d) **Substitution:** The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require, and without the consent of the Bondholders or the Couponholders, to the substitution of certain other entities in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Bonds. In the case of such a substitution the Trustee may agree, without the consent of the Bondholders or

Couponholders, to a change of the law governing the Bonds, the Coupons and/or the Trust Deed provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Bondholders.

(e) **Entitlement of the Trustee:** In connection with the exercise by it of any of its trusts, powers, authorities and discretions (including, without limitation, any modification, waiver, authorisation, determination or substitution), the Trustee shall have regard to the general interests of the Bondholders as a class but shall not have regard to any interests arising from circumstances particular to individual Bondholders or Couponholders (whatever their number) and, in particular but without limitation, shall not have regard to the consequences of any such exercise for individual Bondholders or Couponholders (whatever their number) resulting from their being for any purpose domiciled or resident in, or otherwise connected with, or subject to the jurisdiction of, any particular territory or any political sub-division thereof and the Trustee shall not be entitled to require, nor shall any Bondholder or Couponholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Bondholders or Couponholders except to the extent already provided for in Condition 8 (*Taxation*) and/or any undertaking given in addition to, or in substitution for, Condition 8 (*Taxation*) pursuant to the Trust Deed.

13 Enforcement

The Trustee may at any time at its discretion and without further notice, institute such steps, actions and proceedings against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Bonds and the Coupons, but it need not take any such steps, actions or proceedings unless (a) it shall have been so directed by an Extraordinary Resolution or so requested in writing by Bondholders holding at least one-fifth in principal amount of the Bonds outstanding, and (b) it shall have been indemnified and/or secured and/or prefunded to its satisfaction. No Bondholder or Couponholder may proceed directly against the Issuer unless the Trustee, having become bound so to proceed, fails to do so within 60 days and such failure is continuing.

14 Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility including provisions relieving it from taking action unless indemnified and/or secured and/or prefunded to its satisfaction. The Trust Deed also contains provisions pursuant to which the Trustee is entitled, *inter alia*, to enter into business transactions with the Issuer and any entity related to the Issuer without accounting for any profit.

The Trustee may accept and shall be entitled to rely without liability or enquiry on a report, confirmation or certificate or any advice of any accountants, financial advisers, financial institution or any other expert, whether or not addressed to it and whether their liability in relation thereto is limited (by its terms or by any engagement letter relating thereto entered into by the Trustee or in any other manner) by reference to a monetary cap, methodology or otherwise. Any such report, confirmation or certificate or advice shall be binding on the Issuer, the Trustee and the Bondholders.

15 Further Issues

The Issuer may from time to time without the consent of the Bondholders or Couponholders create and issue further securities either having the same terms and conditions as the Bonds in all respects (or in all respects except for the first payment of interest on them) and so that such further issue shall be consolidated and form a single series with the outstanding securities of any series (including the Bonds) or upon such terms as the Issuer may determine at the time of their issue. References in these Conditions to the Bonds include (unless the context requires otherwise) any other securities issued pursuant to this Condition and forming a single series with the Bonds. Any further securities forming a single series with the outstanding securities of any series (including the Bonds) constituted by the Trust Deed or any deed supplemental to it shall, and any other securities may (with the consent of the Trustee), be constituted by a deed supplemental to the Trust Deed. The Trust Deed contains provisions for convening a single meeting of the Bondholders and the holders of securities of other series where the Trustee so decides.

16 Notices

Notices to the Bondholders shall be valid if published in a leading English language daily newspaper (which is expected to be the Financial Times) and (so long as the Bonds are listed on the Luxembourg Stock Exchange and the rules of that Stock Exchange so require) published either on the website of the Luxembourg Stock Exchange or if such publication is not practicable, in a leading English language daily newspaper having general circulation in Europe as the Trustee may approve. Any such notice shall be deemed to have been given on the date of first publication (or, if required to be published in more than one newspaper, on the first date on which publication shall have been made in all the required newspapers). Couponholders shall be deemed for all purposes to have notice of the contents of any notice given to the Bondholders in accordance with this Condition 16 (*Notices*).

17 Contracts (Rights of Third Parties) Act 1999

No Person shall have any right to enforce any term or condition of the Bonds under the Contracts (Rights of Third Parties) Act 1999.

18 Governing Law

(a) **Governing Law:** The Trust Deed, the Bonds and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by and shall be construed in accordance with English law, provided that Condition 12(a) and Schedule 4 of the Trust Deed which relate to the convening of meetings of Bondholders and the appointment of a Bondholders' representative are subject to compliance with Italian law.

(b) **Jurisdiction:** The courts of England are to have jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and the Coupons and accordingly any legal action or proceedings arising out of or in connection with the Bonds and the Coupons("**Proceedings**") may be brought in such courts. Pursuant to the Trust Deed, the Issuer has irrevocably submitted to the jurisdiction of such courts.

(c) **Agent for Service of Process:** Pursuant to the Trust Deed, the Issuer has irrevocably appointed Lucid Nominees Limited in England to receive service of process in any Proceedings in England based on any of the Bonds or the Coupons.

OVERVIEW OF PROVISIONS RELATING TO THE BONDS WHILE IN GLOBAL FORM

The Trust Deed, the Temporary Global Bond and the Permanent Global Bond contain provisions which apply to the Bonds while they are in global form, some of which modify the effect of the terms and conditions of the Bonds set out in this document. The following is a summary of certain of those provisions:

1. ECB Eligibility

The Bonds will be issued in new global note ("**NGN**") form. On 13 June 2006, the European Central Bank (the "**ECB**") announced that Bonds in NGN form are in compliance with the "Standards for the use of EU securities settlement systems in ECB credit operations" of the central banking system for the Euro (the "**Eurosystem**"), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Bonds in NGN form will be offered by Euroclear and Clearstream, Luxembourg as of 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

2. Exchange

The Temporary Global Bond is exchangeable in whole or in part for interests in the Global Bond on or after a date which is expected to be 14 January 2020, upon certification as to non-U.S. beneficial ownership in the form set out in the Temporary Global Bond. The Global Bond is exchangeable in whole but not in part (free of charge to the holder) for the Definitive Bonds described below if the Global Bond is held on behalf of a clearing system and such clearing system is closed for business for a continuous period of 14 days (other than by reason of holidays, statutory or otherwise) or announces an intention permanently to cease business or does in fact do so. Thereupon, the holder may give notice to the Principal Paying Agent of its intention to exchange the Global Bond for Definitive Bonds on or after the Exchange Date specified in the notice.

On or after the Exchange Date (as defined below) the holder of the Global Bond may surrender the Global Bond or, in the case of a partial exchange, present it for endorsement to or to the order of the Principal Paying Agent. In exchange for the Global Bond the Issuer shall deliver, or procure the delivery of, an equal aggregate principal amount of duly executed and authenticated Definitive Bonds, security printed in accordance with any applicable legal and stock exchange requirements and in or substantially in the form set out in Schedule 1 to the Trust Deed. On exchange of the Global Bond, the Issuer will, if the holder so requests, procure that it is cancelled and returned to the holder together with any relevant Definitive Bonds.

"**Exchange Date**" means a day falling not less than 60 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Principal Paying Agent is located and, except in the case of exchange in circumstances in which the relevant clearing system is closed for business as described above, in the cities in which the relevant clearing system is located.

3. Payments

No payment will be made on the Temporary Global Bond unless exchange for an interest in the Global Bond is improperly withheld or refused. Payments of principal and interest in respect of Bonds represented by the Global Bond will be made against presentation for endorsement and, if no further payment falls to be made in respect of the Bonds, surrender of the Global

Bond to or to the order of the Principal Paying Agent or such other Paying Agent as shall have been notified to the Bondholders for such purpose. A record of each payment so made will be endorsed in the appropriate schedule to the Global Bond, which endorsement will be prima facie evidence that such payment has been made in respect of the Bonds. For the purpose of any payments made in respect of a Global Bond, Condition 7(d) (*Payments – Payments on business days*) shall not apply, and all such payments shall be made on a day on which commercial banks and foreign exchange markets are open in the financial centre of the currency of the Bonds.

So long as the Bonds are represented by the Global Bond and the Global Bond is held on behalf of a clearing system, the Issuer has undertaken, inter alia, to pay interest in respect of such Bonds from the Interest Commencement Date in arrear at the rates, on the dates for payment, and in accordance with the method of calculation provided for in the Conditions, save that the calculation is made in respect of the total aggregate amount of the Bonds represented by the Global Bond.

4. **Payments on business days**

In the case of all payments made in respect of the Temporary Global Bond and the Permanent Global Bond Condition 7(d)) (*Payments – Payments on business days*) shall not apply, and all such payments shall be made on a day on which the TARGET System is open.

5. **Notices**

So long as the Bonds are represented by the Global Bond and the Global Bond is held on behalf of a clearing system, notices to Bondholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled accountholders in substitution for publication as required by the Conditions except that, so long as the Bonds are admitted to the Official List and trading on the Euro MTF Market, and the rules of that Euro MTF Market so require, notices shall also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

6. **Prescription**

Claims against the Issuer in respect of principal and interest on the Bonds while the Bonds are represented by the Global Bond will become void unless it is presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) from the appropriate Relevant Date (as defined in Condition 1).

7. **Purchase and Cancellation**

Cancellation of any Bond required by the Conditions to be cancelled following its purchase will be effected by reduction in the principal amount of the Global Bond.

8. **Trustee's Powers**

In considering the interests of Bondholders while the Global Bond is held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its accountholders with entitlements to the Global Bond and may consider such interests as if such accountholders were the holder of the Global Bond.

9. **Call Option**

No drawing of Bonds will be required under the Conditions in the event that the Issuer exercises its call option in Condition 6(b) (*Redemption and Purchase – Redemption for taxation reasons*), Condition 6(c) (*Redemption and Purchase – Redemption at the option of the Issuer (make whole call)*), Condition 6(e) (*Redemption and Purchase – Redemption following a Substantial Purchase Event (Clean-Up Call*)) or Condition 6(f) *(Redemption and Purchase – Redemption at the option of the Issuer (Issuer Maturity Par Call*)) while the Bonds are represented by the Global Bond in respect of less than the aggregate principal amount of Bonds outstanding.

In order to exercise any of the options contained in Condition 6(b) (*Redemption and Purchase – Redemption for taxation reasons*), Condition 6(c) (*Redemption and Purchase – Redemption at the option of the Issuer (make whole call)*), Condition 6(e) (*Redemption and Purchase – Redemption following a Substantial Purchase Event (Clean-Up Call)*) or Condition 6(f) (*Redemption and Purchase – Redemption at the option of the Issuer (Issuer Maturity Par Call)*), the Issuer shall give notice to the Bondholders and the relevant clearing system (or procure that such notice is given on its behalf) within the time limits set out in and containing the information required by that condition and Condition 6(g) (*Redemption and Purchase – Notice of redemption*).

10. **Put Option**

The Bondholders' put option in Condition 6(d) (*Redemption and Purchase – Redemption at the option of Bondholders upon a Change of Control*) may be exercised by the holder of the Global Bond, giving notice to the Principal Paying Agent of the principal amount of Bonds in respect of which the option is exercised and presenting the Global Bond for endorsement of exercise within the time limits specified in Condition 6(d) (*Redemption and Purchase – Redemption at the option of Bondholders upon a Change of Control*).

11. **Meetings**

For the purposes of any meeting of Bondholders, the holder hereof shall be treated as having one vote in respect of each €1,000 in principal amount of Bonds.

TAXATION

General

Prospective purchasers of Bonds are advised to consult their tax advisers as to the consequences, under the tax laws of the countries of their respective citizenship, residence or domicile, of a purchase of Bonds, including, but not limited to, the consequences of receipt of payments under the Bonds and their disposal or redemption.

ITALIAN TAXATION

The statements herein regarding taxation summarise the principal Italian tax consequences of the purchase, the ownership, the redemption and the disposal of the Bonds. They apply to a holder of Bonds only if such holder purchases its Bonds in this offering.

This is a general overview that does not apply to certain categories of investors and does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to purchase, own or dispose of the Bonds. It does not discuss every aspect of Italian taxation that may be relevant to a Bondholder if such Bondholder is subject to special circumstances or if such Bondholder is subject to special treatment under applicable law.

This overview also assumes that the Issuer is resident in the Republic of Italy for tax purposes, is structured and conducts its business in the manner outlined in this Prospectus. Changes in the Issuer's organisational structure, tax residence or the manner in which it conducts its business may invalidate this overview. This overview also assumes that each transaction with respect to the Bonds is at arm's length.

Where in this overview, English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.

The statements herein regarding taxation are based on the laws in force in the Republic of Italy as of the date of this Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. The Issuer will not update this overview to reflect changes in laws and if such a change occurs the information in this overview could become invalid.

Prospective purchasers of the Bonds are advised to consult their own tax advisers concerning the overall tax consequences under Italian tax law, under the tax laws of the country in which they are resident for tax purposes and of any other potentially relevant jurisdiction of acquiring, holding and disposing of the Bonds and receiving payments of interest, principal and/or other amounts under the Bonds, including in particular the effect of any state, regional or local tax laws.

Interest on the Bonds

Legislative Decree No. 239 of 1 April 1996 (“**Decree No. 239**”), as subsequently amended, governs the income tax treatment of interest, premium and other income (including any difference between the redemption amount and the issue price, hereinafter collectively referred to as “**Interest**”) from notes issued by an Italian issuer which has its shares traded on a qualifying regulated market or on a multilateral trading platform of EU Member States and of the States party to the EEA Agreement included in the list of states allowing an adequate exchange of information with the Italian tax authorities, as indicated by the Italian Ministerial Decree of September 4, 1996, as amended and supplemented by Ministerial Decree of March 23, 2017 and possibly further amended by future decrees issued pursuant to Article 11 par. 4 (c) of Decree 239 (the “**White List Countries**”, each a “**White List Country**”). The provisions of Decree No. 239 only apply to Bonds which qualify as *obbligazioni or titoli similari alle obbligazioni* pursuant to Article 44 of

Italian Presidential Decree No. 917 of December 22, 1986, as amended and supplemented ("**Decree No. 917**").

Pursuant to Article 44, paragraph 2, letter (c), number 2) of Decree No. 917, securities similar to bonds are securities that (i) incorporate an unconditional obligation to pay, at maturity or redemption, an amount not lower than their nominal amount and that (ii) do not give any right to directly or indirectly participate either in the management of the issuer or the business in relation to which they have been issued, nor any type of control on such management, and that (iii) do not provide for a remuneration which is linked to profits of the Issuer.

Italian resident Bondholders

Where an Italian resident Bondholder is (i) an individual not engaged in an entrepreneurial activity to which the Bonds are connected, (ii) a non-commercial partnership, pursuant to article 5 of the Italian Income Consolidated Code ("**ITC**"), (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation, Interest payments relating to the Bonds, accrued during the relevant holding period, are subject to a substitutive tax, referred to as *imposta sostitutiva*, levied at the rate of 26% (either when the Interest is paid by the Issuer, or when payment thereof is obtained by the Bondholder on a sale of the relevant Bonds). In the event that the Bondholders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Bonds are connected, the *imposta sostitutiva* applies as a provisional tax and it may be credited against the overall income tax due by the taxpayer in respect of the income derived from its business activity which will include the Interest.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity to which the Bonds are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on Interest relating to the Bonds if the Bonds are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016 , as subsequently amended (the "**Finance Act 2017**") as well as the requirements set forth in Article 1 (210-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**"), as implemented by the Ministerial Decree of 30 April 2019.

Pursuant to Decree No. 239, *imposta sostitutiva* is levied by banks, *società di intermediazione mobiliare* ("**SIMs**"), fiduciary companies, *società di gestione del risparmio* ("**SGRs**"), stock exchange agents and other entities identified by the relevant Decrees of the Ministry of Economics and Finance, as subsequently amended and integrated (the "**Intermediaries**").

An Intermediary to be entitled to apply the *imposta sostitutiva*, must satisfy the following conditions:

(A) it must be: (a) resident in Italy; or (b) resident outside Italy, with a permanent establishment in Italy: or (c) an entity or a company not resident in Italy, which is a member of a system of centralised administration of securities and directly connected with the Department of Revenue of the Italian Ministry of Finance (which includes Euroclear and Clearstream) having appointed an Italian representative for the purposes of Decree No. 239; and

(B) intervene, in any way, in the collection of Interest or in the transfer of the Bonds. For the purpose of the application of the *imposta sostitutiva*, a transfer of the Bonds includes any assignment or other act, either with or without consideration, which results in a change in ownership of the relevant Bonds or in a change of the Intermediary with which the Bonds are deposited.

Where the Bonds are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian bank or any Italian intermediary paying Interest to a Bondholder, or in their absence by the Issuer. If Interest on the Bonds is not collected through an Intermediary, or absent that, by the Issuer, the Italian resident Bondholders listed above under (i) to (iv) will be required to include Interest in their annual income tax return and subject them to a final substitute tax at a rate of 26%.

The 26% imposta sostitutiva regime described herein does not apply in cases where the Bonds are held in a discretionary investment portfolio managed by an authorised intermediary pursuant to the so-called discretionary investment portfolio regime ("**Risparmio Gestito**" regime as defined and described in "*Capital Gains*", below), provided for by Article 7 of the Legislative Decree 21 November 1997, No. 461 ("**Decree 461**"). In such a case, Interest is not subject to *imposta sostitutiva* but contributes to determine the annual net accrued result of the portfolio, which is subject to an ad-hoc substitutive tax of 26% on the results.

The *imposta sostitutiva* also does not apply to the following Italian resident persons, to the extent that the Bonds and the relevant coupons are deposited in a timely manner, directly or indirectly, with an Intermediary:

(A) *Corporate investors*

Where an Italian resident Bondholder is a company or similar commercial entity (including a permanent establishment in Italy of a foreign company to which the Bonds are effectively connected), Interest accrued on the Bonds must be included in: (I) the relevant Bondholder's yearly taxable income for the purposes of corporate income tax ("**IRES**"), generally applying at the current ordinary rate of 24% (certain categories of taxpayers, including banks and financial entities are subject to an IRES surcharge equal to 3.5%); and (II) in certain circumstances, depending on the status of the Bondholder, also in its net value of production for the purposes of regional tax on productive activities ("**IRAP**"), generally applying at the rate of 3.9% (certain categories of taxpayers, including banks, financial entities and insurance companies, are subject to higher IRAP rates). The IRAP rate can be increased by regional laws up to 0.92%. Said Interest is therefore subject to general Italian corporate taxation according to the ordinary rules.

(B) *Investment funds*

Interest paid to Italian investment funds subject to regulatory supervision (including a *Fondo Comune d'Investimento*, a SICAV (an investment company with variable capital), a SICAF as defined below, collectively, the "**Funds**") are subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Funds. Proceeds paid by the Funds to their unitholders are generally subject to a 26% withholding tax.

(C) *Pension funds*

Pension fund (subject to the regime provided for by Article 17 of the Legislative Decree No. 252 of 5 December 2005, the "**Pension Funds**") are subject to a 20% substitutive tax on their annual net accrued result. Interest on the Bonds is included in the calculation of such annual net accrued result. Subject to certain conditions (including minimum holding period requirement) and limitations, Interest relating to the Bonds may be excluded from the taxable base of the 20% substitute tax if the Bonds are included in a long-term savings account (piano di risparmio a lungo termine) that meets the requirements set forth in Article 1 (100-114) of the Finance Act 2017, as well as the requirements set forth in Article 1 (210-215) of the Finance Act 2019, as implemented by the Ministerial Decree of 30 April 2019.

(D) *Real estate investment funds*

Interest payments in respect of the Bonds to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 (the "**Real Estate Investment Funds**") and to Italian resident "*società di investimento a capitale fisso*" ("**SICAFs**") are generally subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the same Real Estate Investment Funds. Unitholders are generally subject to a 26% withholding tax on distributions from the Real Estate Investments Funds. Law Decree No. 70 of 13 May 2011 (converted with amendments by Law No. 106 of 12 July 2011) has introduced certain changes to the tax treatment of the unitholders of Real Estate Investment Funds, including a direct imputation system (tax transparency) for certain non-qualifying unitholders (e.g. Italian resident individuals) holding more than 5% of the units of the fund.

Non-Italian resident Bondholders

An exemption from *imposta sostitutiva* applies on Interest on the Bonds with respect to certain beneficial owners resident outside of Italy, not having a permanent establishment in Italy to which the Bonds are effectively connected. In particular, pursuant to Article 6 of Decree 239, the aforesaid exemption applies to any beneficial owner of an Interest payment relating to the Bonds who: (i) is resident, for tax purposes, in a White List Country; or (ii) is an international body or entity set up in accordance with international agreements which have entered into force in the Republic of Italy; or (iii) is the Central Bank or an entity which manages, inter alia, the official reserves of a foreign State; or (iv) is an institutional investor that is resident in a White List Country, even if it it does not possess the status of a taxpayer in its own country of residence.

The exemption procedure for Bondholders who are non-resident in Italy and are resident in a White List Country identifies two categories of intermediaries:

(A) an Italian or foreign bank or financial institution (there is no requirement for the bank or financial institution to be EU resident) (the "**First Level Bank**"), acting as intermediary in the deposit of the Bonds held, directly or indirectly, by the Bondholder with a Second Level Bank (as defined below); and

(B) an Italian resident bank or SIM, or a permanent establishment in Italy of a non-resident bank or SIM, acting as depositary or sub-depositary of the Bonds appointed to maintain direct relationships, via electronic link, with the Italian tax authorities (the "**Second Level Bank**"). Organisations and companies non-resident in Italy, which are member of a system of centralised administration of securities and directly connected with the Department of Revenue of the Ministry of Economy and Finance (which include Euroclear and Clearstream) are treated as Second Level Banks, provided that they appoint an Italian representative (an Italian resident bank or SIM, or permanent establishment in Italy of a non-resident bank or SIM, or a central depositary of financial instruments pursuant to Article 80 of Legislative Decree No. 58 of 24 February 1998) for the purposes of the application of Decree 239.

In the event that a non-Italian resident Bondholder deposits the Bonds directly with a Second Level Bank, the latter shall be treated both as a First Level Bank and a Second Level Bank.

The exemption from the *imposta sostitutiva* for the Bondholders who are non-resident in Italy is conditional upon:

(A) the timely deposit of the Bonds, either directly or indirectly, with an institution which qualifies as a Second Level Bank; and

(B) the timely submission to the First Level Bank or the Second Level Bank, as the case may be, of a statement of the relevant Bondholder (*autocertificazione*), to be provided only once, in which it declares that it is eligible to benefit from the exemption from *imposta sostitutiva*. Such statement must comply with the requirements set forth by a Ministerial Decree dated 12 December 2001, is valid until withdrawn or revoked and needs not to be submitted where a certificate, declaration or other similar document for the same or equivalent purposes was previously submitted to the same depository. The above statement is not required for non-Italian resident investors that are international bodies or entities set up in accordance with international agreements entered into force in the Republic of Italy or Central Banks or entities also authorised to manage the official reserves of a State.

Fungible issuances of Bonds qualifying as bonds or instruments similar to bonds

Pursuant to Article 11 (2) of Decree No. 239, where the Issuer issues a new Tranche of Bonds forming part of a single series with the first Tranche of Bonds, for the purposes of calculating the amount of Interest subject to *imposta sostitutiva* (if any), the issue price of the new Tranche will be deemed to be the same as the issue price of the first Tranche to the extent that certain conditions are met. This rule applies where (a) the new Tranche is issued within 12 months from the issue date of the first Tranche and (b) the difference between the issue price of the new Tranche and that of the first Tranche does not exceed 1% of the nominal value of the Bonds multiplied by the number of years of the duration of the Bonds.

Capital Gains

Italian resident Bondholders

Any gain obtained from the sale or redemption of the Bonds would be treated as part of the taxable income (and, in certain circumstances, depending on the *status* of the Bondholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Bonds are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Bonds are connected.

Pursuant to Decree 461, as amended, a 26% imposta sostitutiva on capital gains (the "**CGT**") is applicable to capital gains realised on any sale or transfer of the Bonds for consideration by Italian resident individuals (not engaged in a business activity to which the Bonds are effectively connected), regardless of whether the Bonds are held outside of Italy. The regime applies to: (i) individuals holding the Bonds not in connection with an entrepreneurial activity, (ii) non-commercial partnerships and (iii) non-profit organisations, the Italian State and public entities or entities that are exempt from IRES.

For the purposes of determining the taxable capital gain, any Interest on the Bonds accrued and unpaid up to the time of the purchase and the sale of the Bonds must be deducted from the purchase price and the sale price, respectively.

With regard to the CGT application, Bondholders under (i) to (iii) above may opt for one of the three regimes described below:

(a) "Tax declaration" regime (*Regime della dichiarazione*)

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Italian resident Bondholders under (i) to (iii) above, the CGT on capital gains will be chargeable, on a yearly cumulative basis, on all capital gains, net of any incurred capital loss, realised by the investor pursuant to all sales or redemptions of the Bonds carried out during any given tax year. Italian relevant Bondholders under (i) to (iii) above must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss, in the annual tax return and pay CGT on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains realised in any of the four succeeding tax years;

(b) "Non-discretionary investment portfolio" regime (*Risparmio Amministrato*)

As an alternative to the tax declaration regime, the Italian resident Bondholders under (i) to (iii) above may elect to pay the CGT separately on capital gains realised on each sale or transfer of the Bonds. Such separate taxation of capital gains is allowed subject to (i) the Bonds being deposited with banks, SIMs or other authorised intermediaries and (ii) an express election for the *Risparmio Amministrato* regime being made in writing by the relevant Bondholder. The *Risparmio Amministrato* lasts for the entire fiscal year and unless revoked prior to the end of such year will be deemed valid also for the subsequent one. The intermediary is responsible for accounting for the CGT in respect of capital gains realised on each sale or transfer of the Bonds, as well as in respect of capital gains realised at the revocation of its mandate. Where a particular sale or transfer of the Bonds results in a net loss, the intermediary is entitled to deduct such loss from gains subsequently realised on assets held by the Bondholder with the same intermediary and within the same deposit relationship, in the same fiscal year or in the following fiscal years up to the fourth following fiscal year. The Bondholder is not required to declare the gains in his annual income tax return; and

(c) "Discretionary investment portfolio" regime (*Risparmio Gestito*)

If the Bonds are part of a portfolio managed by an Italian asset management company, capital gains are not subject to the CGT, but contribute to determine the annual net accrued result of the portfolio. Such annual net accrued result of the portfolio, even if not realised, is subject to an ad-hoc 26% substitutive tax, which the asset management company is required to levy on behalf of the Bondholder. Any losses of the investment portfolio accrued at year end may be carried forward against net profits accrued in each of the following fiscal years, up to the fourth following fiscal year. Under such regime the Bondholder is not required to declare the gains in his annual income tax return.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity to which the Bonds are connected or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the GGT, on capital gains realised upon sale or redemption of the Bonds if the Bonds are included in a long-term savings account (*piano di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017, as well as the requirements set forth in Article 1 (210-215) the Finance Act 2019, as implemented by Ministerial Decree of 30 April 2019.

The CGT does not apply to the following subjects:

(A) *Corporate investors*

Capital gains realised on the Bonds by Italian resident corporate entities (including a permanent establishment in Italy of a foreign entity to which the Bonds are effectively connected) form part of their aggregate income subject to IRES, at the rates specified above. In certain cases, capital gains may also to be included in the taxable net value of production of such entities for IRAP purposes, at the rates specified above. The capital gains are calculated as the difference between the sale price and the relevant tax basis of the Bonds. Upon fulfilment of certain conditions, the gains may be taxed in equal instalments over up to five fiscal years.

(B) *Funds*

Capital gains realised by the Funds on the Bonds are subject neither to CGT nor to any other income tax in the hands of the Funds (see *Interest on the Bonds – Italian Resident Bondholders*, above).

(C) *Pension Funds*

Capital gains realised by Pension Funds on the Bonds contribute to determine their annual net accrued result, which is generally subject to a 20% substitutive tax (see *Interest on the Bonds – Italian Resident Bondholders*, above). Subject to certain conditions (including minimum holding period requirement) and limitations, Interest relating to the Bonds may be excluded from the taxable base of the 20% substitute tax if the Bonds are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017, as well as the requirements set forth in Article 1(210-215) of Finance Act 2019, as implemented by the Ministerial Decree of 30 April 2019.

(D) *Real Estate Investment Funds*

Capital gains realised by Real Estate Investment Funds and by SICAFs to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply on the Bonds are not taxable at the level of same Real Estate Investment Funds (see *Interest on the Bonds – Italian Resident Bondholders*, above).

(E) *Non-Italian resident Bondholders*

Capital gains realised by non-Italian resident Bondholders (not having a permanent establishment in Italy to which the Bonds are effectively connected) on the disposal of Bonds are not subject to tax in Italy, regardless of whether the Bonds are held in Italy, subject to the condition that the Bonds are listed and traded in a regulated market in Italy or abroad.

Should the Bonds not be listed in a regulated market as indicated above, the aforesaid capital gains would be subject to tax in Italy, if the Bonds are held by the non-resident Bondholder therein. Pursuant to Article 5 of Decree 461, an exemption, however, would apply with respect to beneficial owners of the Bonds, which are Qualified Bondholders.

In any event, non-Italian resident Bondholders without a permanent establishment in Italy to which the Bonds are effectively connected that may benefit from a tax treaty with Italy providing that capital gains realised upon sale or transfer of Bonds are taxed only in the country of tax residence of the recipient, will not be subject to tax in Italy on any capital gains realised upon any such sale or transfer.

Inheritance and gift taxes

Pursuant to Law Decree No. 262 of 3 October 2006, converted into Law No. 286 of 24 November 2006, as subsequently amended, inheritance and gift taxes have been re-introduced in Italy, with effect as of 3 October 2006.

Inheritance and gift taxes apply on the overall net value of the relevant transferred assets, at the following rates, depending on the relationship between the testate (or donor) and the beneficiary (or donee):

(a) 4% if the beneficiary (or donee) is the spouse or a direct ascendant or descendant (such rate only applying on the net asset value exceeding, for each person, €1,000,000);

(b) 6% if the beneficiary (or donee) is a brother or sister (such rate only applying on the net asset value exceeding, for each person, €100,000);

(c) 6% if the beneficiary (or donee) is a relative within the fourth degree or a direct relative-in-law as well an indirect relative-in-law within the third degree;

(d) 8% if the beneficiary is a person, other than those mentioned under (a), (b) and (c), above.

In case the beneficiary has a serious disability recognised by law, inheritance and gift taxes apply on its portion of the net asset value exceeding €1,500,000.

The mortis causa transfer of financial instruments included in a long-term savings account (*piano di risparmio a lungo termine*) – that meets the requirements set forth in Article 1 (100-114) of Finance Act 2017, as well as the requirements set forth in Article 1 (210-215) the Finance Act 2019, if the long-term saving account is set up with effect from 1 January 2019 – is exempt from inheritance tax.

Stamp duty

The Law Decree No. 201 of 6 December 2011 ("**Decree 201**"), converted into law with amendments by Law No. 213 of 22 December 2011, has replaced paragraphs 2-bis and 2-*ter* and related notes (3-bis and 3-*ter*) of Article 13, Tariff annexed to stamp duty law approved with Presidential Decree No. 642 of 26 October 1972.

Pursuant to Decree 201, a proportional Italian stamp duty applies on an annual basis to any periodical reporting communications which may be sent by an Italian based financial intermediary to a Bondholder in respect of any Bonds which may be deposited with such financial intermediary. The stamp duty applies, on a yearly basis, at a rate of 0.2%; this stamp duty is determined on the basis of the market value or – if no market value figure is available – the nominal value or redemption amount of the Bonds held. The stamp duty cannot exceed €14,000, for taxpayers other than individuals.

The proportional stamp duty does not apply to communications sent by Italian financial intermediaries to subjects not qualifying as clients, as defined by Provision of the Governor of Bank of Italy 20 June 2012, as amended. Moreover, the proportional stamp duty does not apply to communications sent to Pension Funds.

Periodical communications to clients are presumed to be sent at least once a year, even though the intermediary is not required to send communication. In this case, the stamp duty is to be applied on 31 December of each year or in any case at the end of the relationship with the client.

Wealth Tax on securities deposited abroad

Pursuant to Article 19, paragraphs 18-23, of Decree 201, Italian resident individuals holding the Bonds outside the Italian territory are required to pay a wealth tax at a rate of 0.2%.

This tax is calculated on the fair market value of the Bonds at the end of the relevant year or – if no fair market value figure is available – on the nominal value or on the redemption value of such financial assets held outside the Italian territory. Taxpayers are entitled to an Italian tax credit equivalent to the amount of wealth taxes paid in the State where the financial assets are held (up to an amount equal to the Italian wealth tax due), to the extent that the foreign taxes have been legitimately levied under the applicable tax treaties.

Registration tax

Pursuant to Article 11 of the Tariff (Part I) attached to Presidential Decree No. 131 of 26 April 1986 and Article 2 of the same Tariff (Part II), contracts relating to the transfer of the Bonds are subject to the registration tax as follows: (i) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) executed in Italy should be subject to a fixed registration tax (€200); (ii) private deeds (*scritture private non autenticate*) should be subject to registration tax only in "case of use" or voluntary registration at a fixed amount (€200).

Tax monitoring

Pursuant to Law Decree No. 167 of 28 June 1990, converted by Law No. 227 of 4 August 1990, as amended by Law No. 97 of 6 August 2013 and by Law No. 50 of 28 March 2014, individuals, non-profit entities and certain non-commercial partnerships (*società semplici* or similar partnerships in accordance with Article 5 of ITC), resident in Italy for tax purposes who, at the end of the fiscal year, hold investments abroad or have financial activities abroad must, in certain circumstances, disclose the aforesaid and related transactions to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time as prescribed for the income tax return).

The requirement also applies where the persons abovementioned, being not the direct holders of the financial instruments, are the actual beneficial owners of the instruments for anti-money laundering purposes. Furthermore, the abovementioned reporting requirement is not required to comply with respect to Bonds deposited for management or administration with qualified Italian financial intermediaries, with respect to contracts entered into through their intervention, on the condition that the items of income derived from the Bonds have been subject to tax by the same intermediaries.

OECD Common Reporting Standards

The EU Savings Directive adopted on June 3, 2003, by the EU Council of Economic and Finance Ministers (as subsequently amended) on taxation of savings income in the form of interest payments has been repealed from January 1, 2016 to prevent overlap between the Savings Directive and the new automatic exchange of information regime implemented under Council Directive 2011/16/EU on Administrative Cooperation in the field of Taxation (as amended by Council Directive 2014/107/EU).

Drawing extensively on the intergovernmental approach to implementing the United States Foreign Account Tax Compliance Act, the OECD developed the Common Reporting Standard ("**CRS**") to address the issue of offshore tax evasion on a global basis. Aimed at maximizing efficiency and reducing cost for financial institutions, the CRS provides a common standard for due diligence, reporting and exchange of financial account information. Pursuant to the CRS, participating jurisdictions will obtain from reporting financial institutions, and automatically exchange with exchange partners on an annual basis, financial information with respect to all reportable accounts identified by financial institutions on the basis of common due diligence and reporting procedures. The first information exchanges are expected to begin in 2017.

Italy has enacted Italian Law No. 95 of June 18, 2015 ("**Law 95/2015**"), implementing the CRS and the amended EU Directive on Administrative Cooperation, which provides for the exchange of information in relation to the calendar year 2016 and later. Law 95/2015 has been implemented by the Italian Ministerial Decree dated December 28, 2015 which has been recently amended by the Italian Ministerial Decree dated 20 June 2019 and published in the Official Gazette on 9 July 2019.

In the event that holders of the Bonds hold the Bonds through an Italian financial institution (as meant in the Italian Ministerial Decree dated 20 June 2019), they may be required to provide additional information to such financial institution to enable it to satisfy its obligations under the Italian implementation of the CRS.

The proposed European financial transaction tax (EU FTT)

On 14 February 2014, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common EU FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The Commission's Proposal has very broad scope and could, if introduced, apply to certain dealings in the Bonds (including secondary market transactions) in certain circumstances.

Under the Commission's Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in the Bonds where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of the Bonds are advised to seek their own professional advice in relation to the FTT.

SUBSCRIPTION AND SALE

The Managers have, pursuant to a Subscription Agreement dated 3 December 2019, agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe the Bonds at 99.421 per cent. of their principal amount less a selling commission. In addition, the Issuer has agreed to reimburse the Sole Lead Manager for certain of its expenses in connection with the issue of the Bonds. The Subscription Agreement entitles the Sole Lead Manager (on behalf of the Managers) to terminate it in certain circumstances prior to payment being made to the Issuer.

General

Neither the Issuer nor the Managers have made any representation that any action will be taken in any jurisdiction by the Managers or the Issuer that would permit a public offering of the Bonds, or possession or distribution of this Prospectus (in preliminary, proof or final form) or any other offering or publicity material relating to the Bonds (including roadshow materials and investor presentations), in any country or jurisdiction where action for that purpose is required. Each Manager has agreed that it will comply to the best of its knowledge and belief in all material respects with all applicable laws and regulations in each jurisdiction in which it acquires, offers, sells or delivers Bonds or has in its possession or distributes this Prospectus (in preliminary, proof or final form) or any such other material, in all cases at its own expense. It will also ensure that no obligations are imposed on the Issuer in any such jurisdiction as a result of any of the foregoing actions.

United States

The Bonds have not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction in the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act ("**Regulation S**").

The Bonds are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder.

Each Manager has agreed that, except as permitted by the Subscription Agreement, it will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the Closing Date, within the United States or to, or for the account or benefit of, U.S. persons, and it will have sent to each dealer to which it sells Bonds during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S.

In addition, until 40 days after the commencement of the offering of the Bonds, an offer or sale of Bonds within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act.

Prohibition of Sales to EEA Retail Investors

Each Manager has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Bonds to any retail investor in the European Economic Area. For the purposes of this provision the expression "retail investor" means a person who is one (or both) of the following:

(i) a retail client as defined in point (11) of Article (4)1 of MiFID II; and

(ii) a customer within the meaning of Directive 2002/92/EC (as amended or superseded, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United Kingdom

Each Manager has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) received by it in connection with the issue or sale of the Bonds in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

The Republic of Italy

The offering of the Bonds has not been registered with the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian securities legislation and, accordingly, no Bonds may be offered, sold or delivered, nor may copies of this Prospectus or of any other document relating to any Bonds to be distributed in the Republic of Italy, except:

(a) to qualified investors (*investitori qualificati*), as defined pursuant to Article 2 of Regulation (EU) No. 1129 of 14 June 2017 (the "**PD Regulation**") and any applicable provision of Legislative Decree no. 58 of 24 February 1998, as amended (the "Financial Services Act") and Italian CONSOB regulations; or

(b) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the PD Regulation, Article 34-*ter* of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

In any event, any such offer, sale or delivery of the Bonds or distribution of copies of the Prospectus or any other document relating to the Bonds in the Republic of Italy under the preceding paragraphs (a) and (b) above must:

(i) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**") and CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time; and

(ii) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

France

Each Manager has represented and agreed that (in connection with the initial distribution of the Bonds only) it has not offered or sold and will not offer or sell, directly or indirectly, any Bonds to the public in France and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Prospectus or any other offering material relating to the Bonds and such offers, sales and distributions have been and will be made in France only to (a) persons providing investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*), and/or (b) qualified investors (*investisseurs qualifiés*), acting for their own account, all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 of the French *Code monétaire et financier*.

GENERAL INFORMATION

1. Application has been made for the Bonds to be admitted to trading on the Euro MTF Market and to be listed on the Official List of the Luxembourg Stock Exchange. Application has also been made for the Bonds to be admitted to trading on the ExtraMOT market – ExtraMOT Pro^3 Segment, the multi-lateral trading facility organised and managed by Borsa Italiana S.p.A. and listed on the official list of Borsa Italiana S.p.A.

2. The Issuer has obtained all necessary consents, approvals and authorisations in Italy in connection with the issue and performance of the Bonds. The issue of the Bonds was authorised by a resolution (*determina*) of the Vice-Chairman and Chief Executive Officer of the Issuer dated 27 November 2019 pursuant to the powers delegated to Vice-Chairman and Chief Executive Officer by a resolution of the board of directors of the Issuer passed on 8 November 2019 and registered with the Register of Companies of Milan on 11 November 2019.

3. There has been no significant change in the financial or trading position of the Issuer or of the Group since 30 June 2019 and no material adverse change in the financial position or prospects of the Issuer or the Group since 30 June 2019.

4. Except as disclosed in the section entitled "Litigation" on page 64 of this Prospectus, neither the Issuer nor any of its subsidiaries have been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer or the Group.

5. Each Bond and Coupon will bear the following legend: "*Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in Sections 165(j) and 1287(a) of the Internal Revenue Code*".

6. The Bonds have been accepted for clearance and settlement through the Euroclear and Clearstream, Luxembourg systems (which are the entities in charge of keeping the records) with a Common Code of 208865005. The International Securities Identification Number ("**ISIN**") for the Bonds is XS2088650051.

   The address of Euroclear is 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and the address of Clearstream, Luxembourg is 42 Avenue JF Kennedy L-1855 Luxembourg.

7. The Legal Entity Identifier code of the Issuer is 81560017CF8066680595.

8. The website of the Issuer is https://www.tipspa.it. The information on https://www.tipspa.it does not form part of this Prospectus, except where that information has been incorporated by reference into this Prospectus.

9. BNP Paribas Securities Services, Luxembourg Branch is acting solely in its capacity as listing agent for the Issuer in connection with the Bonds and is not itself seeking admission of the Bonds to the Official List or to trading on the Euro MTF Market of the Luxembourg Stock Exchange.

10. The yield of the Bonds is 2.625 per cent. on an annual basis. The yield is calculated as at 5 December 2019 on the basis of the issue price. It is not an indication of future yield.

11. There are no material contracts entered into other than in the ordinary course of the Issuer's business, which could result in any member of the Issuer's group being under an obligation or

entitlement that is material to the Issuer's ability to meet its obligations to bondholders in respect of the bonds being issued.

12. Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and, as far as the Issuer is aware and is able to ascertain from the information published by such third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. The source of third-party information is identified where used.

13. For so long as the Bonds remain outstanding, copies (and English translations where the documents in question are not in English) of the following documents will be available for inspection at https://www.tipspa.it:

    (a) the Trust Deed (which includes the form of the Global Bonds, the definitive Bonds, the Coupons);

    (b) the Agency Agreement;

    (c) the Memorandum and Articles of Association of the Issuer;

    (d) the Documents Incorporated by Reference; and

    (e) a copy of this Prospectus together with any supplement to this Prospectus or further Prospectus.

    This Prospectus and the documents incorporated by reference will be published on the website of the on the Luxembourg Stock Exchange at *www.bourse.lu*.

14. PricewaterhouseCoopers S.p.A. (authorised and regulated by the Ministry of Economy and Finance registered on the special register of accounting firms held by the Ministry of Economy and Finance) of Via Mote Rosa, 91, 20141 Milan, Italy have audited and issued unqualified reports on the consolidated financial statements of the Issuer as of and for the financial years ended 31 December 2017 and 2018, as incorporated by reference in this Prospectus.

15. Each Manager and its affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for the Issuer and its affiliates in the ordinary course of business. Each Manager and its affiliates may have positions, deal or make markets in the Bonds, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuer and its affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

    In addition, in the ordinary course of its business activities, each Manager and its 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 its customers. Such investments and securities activities may involve securities and/or instruments of the Issuer and its affiliates. Each Manager and its affiliates that have a lending relationship with the Issuer routinely hedge their credit exposure to Issuer consistent with its customary risk management policies. Typically, each Manager and its 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 Bonds. Any such positions could adversely affect future trading prices of the Bonds. Each Manager and its 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.

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