REPUBLIC OF ITALY

FINAL TERMS dated 20 May 2015

Series No.: 109

Tranche No.: 1

Republic of Italy

U.S.$80,000,000,000
Programme for the Issuance of Debt Instruments

Issue of
EUR 700,000,000 2.127 per cent. Instruments due May 2027

The Instruments constitute direct, unconditional and general obligations of the issuer and rank *pari passu* among themselves and equally with all other unsecured External Indebtedness (as defined in the Simplified Base Prospectus dated 19 December 2014 (the "**Simplified Base Prospectus**") in relation to the Programme) of the Issuer.

These Final Terms (as referred to in the Simplified Base Prospectus) relates to the Tranche of Instruments referred to above, contains the final terms and conditions of the Instruments and should be read in conjunction with the Simplified Base Prospectus dated 19 December 2014.

The Instruments have not and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and may include Instruments in bearer form which are subject to U.S. tax law requirements. The Instruments may not be offered, sold or delivered within the United States, or to or for the account or benefit of U.S. persons (as defined in Regulation S under the Securities Act), expect pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

The particulars to be specified in relation to such Tranche are as follows:

1.	Issuer:	Republic of Italy
3.	Relevant Dealer/Lead Manager:	Barclays Bank PLC
4.	Syndicated:	No
5.	Other Dealers/Managers (if any):	Not Applicable
6.	Status:	Unsubordinated
7.	Currency: (Condition 1.10)	
	— of Denomination	Euro ("**EUR**")
	— of Payment	EUR
8.	Aggregate Principal Amount of:	
	(i) Series	EUR 700,000,000
	(ii) Tranche	EUR 700,000,000
9.	Fungible with existing Series, Series No:	Not Applicable

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10.	Issue Date:		22 May 2015
11.	Issue Price:		100 per cent. of the Aggregate Principal Amount of Tranche
12.	Denomination(s): (Condition 1.8 or 1.9)		EUR 500,000
13.	Commission Payable:		None
14.	Selling Concession:		None
15.	Expenses:		The listing fees of the Luxembourg Stock Exchange.
16.	(a)	Form of Instruments:	Bearer
	(b)	Bearer Instruments exchangeable for Registered Instruments:	No
17.	If issued in Bearer form:		
	(a)	Initially represented by a Temporary Global Instrument or Permanent Global Instrument: (Condition 1.2)	Temporary Global Instrument
	(b)	Temporary Global Instrument exchangeable for Permanent Global Instrument: (Condition 1.2)	Yes. Exchanges for a Permanent Global Instrument will be made on or after the Exchange Date
		Specify date (if any) from which exchanges for Registered Instruments will be made: (Condition 1.2)	Not Applicable
	(c)	Permanent Global Instrument exchangeable at the option of the bearer for Definitive Instruments and/or: (Condition 1.5)	No
	(d)	Talons for future Coupons to be attached to Definitive Instruments: (Condition 1.6)	No
	(e)	Receipts to be attached to Instalment Instruments which are Definitive Instruments: (Condition 1.7)	Not Applicable
	(f)	New Global Instrument:	Yes
18.	If issued in Registered Form:		Not Applicable
19.	Partly Paid Instruments: (Condition 1.11)		No
20.	Interest: (Condition 5)		Interest bearing (further particulars specified below)
21.	Interest Rate: (Condition 5.2)		2.127 per cent. per annum

			(further particulars specified below)
FIXED RATE INSTRUMENT PROVISIONS			Applicable
22.	(a)	Interest Rate:	2.127 per cent. per annum payable semi-annually in arrear
	(b)	Interest Payment Date(s):	22 May and 22 November in each year commencing on 22 November 2015 up to (and including) the Maturity Date, No Adjustment in respect of the Interest Period.
	(c)	Fixed Coupon Amount:	EUR 5,317.50 per EUR 500,000 in Aggregate Principal Amount
	(d)	Broken Amount(s):	Not Applicable
	(e)	Day Count Fraction: (Condition 5.9)	Actual/Actual (ICMA)
	(f)	Other terms relating to the method of calculating interest for Fixed Rate Instruments:	Not Applicable
FLOATING RATE INSTRUMENT PROVISIONS			Not Applicable
PROVISIONS RELATING TO REDEMPTION			
23.	Maturity Date: (Condition 6.1)		22 May 2027
24.	Dates for payment of Instalment Amounts (Instalment Instruments): (Condition 6.1)		Not Applicable
25	Maturity Redemption Amount: (Condition 6.1)		Outstanding Principal Amount
26.	Instalment Amounts: (Condition 6.1)		Not Applicable
27.	Optional Early Redemption (Call): (Condition 6.3)		No
28.	Optional Early Redemption (Put): (Condition 6.6)		No
29.	Events of Default (Condition 7.1):		
	(a)	Early Termination Amount:	Outstanding Principal Amount
	(b)	Any additional (or modifications to) Events of Default:	Not Applicable
30.	Payments: (Condition 9)		
	(a)	Unmatured Coupons missing upon Early Redemption:	Paragraph (i) of Condition 9A.6 applies
	(b)	Relevant Financial Centre Day: (Condition 9C.3)	As per Condition 9C.3
31.	Replacement of Instruments: (Condition 12)		As per Condition 12
32.	Notices: (Condition 14)		As per Condition 14.1

33.	Listing:	Yes Luxembourg Stock Exchange

DISTRIBUTION

34.	Selling Restrictions:	
	— United States of America	Category 1 restrictions apply to the Instruments TEFRA D Rules
	— Other	Not Applicable
35.	Stabilising Manager(s) (if any):	Not applicable
36.	ISIN:	XS1236858657
37.	Common Code:	123685865
38.	New Global Note or Instrument to be held under the New Safekeeping Structure intended to be held in a manner which would allow Eurosystem eligibility:	Yes Note that the designation "Yes" simply means that the Notes are intended upon issue to be deposited with Euroclear or Clearstream, Luxembourg as common safekeeper and does not necessarily mean that the Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon satisfaction of the Eurosystem eligibility criteria
39.	Any Clearing System other than Euroclear Bank SA/NV and Clearstream Banking, *société anonyme*:	None
40.	Settlement Procedures:	Customary medium term note
41.	Ratings:	Yes The Instruments to be issued are expected to be rated on or around the Issue Date by Fitch Ratings. The Instruments to be issued are expected to be assigned by Fitch Ratings the following rating: “BBB+” The meanings of ratings may be found on the websites of the rating agency (www.fitchratings.com) and may be updated by the rating agencies from time to time. The Fitch Ratings group of companies established in the EU, was registered on October 31, 2011 in accordance with Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of September 16, 2009 on credit rating agencies, as amended by Regulation (EU) No. 513/2011 of the European Parliament and of the Council of May 11, 2011 (hereinafter referred to as the (the **CRA Regulation**).
42.	Other relevant Terms and Conditions:	None

LISTING APPLICATION

These are the Final Terms required to list the issue of Instruments described herein pursuant to the U.S.$80,000,000,000 Programme for the Issuance of Debt Instruments of the Republic of Italy.

RESPONSIBILITY

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

CONFIRMED

REPUBLIC OF ITALY

By: Maria Cannata

Authorised signatory

Date: 20 May 2015