

FINAL TERMS

PROHIBITION OF SALES TO EEA RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (“**MiFID II**”); (ii) a customer within the meaning of Directive 2002/92/EC, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Directive 2003/71/EC (as amended, the “**Prospectus Directive**”). Consequently no key information document required by Regulation (EU) No 1286/2014 (the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MIFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

26 January 2018

Italgas S.p.A.

**Issue of €250,000,000 1.625 per cent. Notes due 18 January 2029 (the “New Notes”)
(to be consolidated and form a single series with the Issuer’s €500,000,000 1.625 per cent. Notes due 18
January 2029 issued on 18 September 2017, ISIN code XS1685542497 (the “Original Notes” and,
together with the New Notes, the “Notes”))
under the €3,500,000,000
Euro Medium Term Note Programme**

PART 1

CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the **Conditions**) set forth in the Base Prospectus dated 18 November 2016 which are incorporated by reference in the Base Prospectus dated 9 November 2017. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 9 November 2017 and the supplement to it dated 22 January 2018 which together constitute a base prospectus for the purposes of the Prospectus Directive (the **Base Prospectus**), including the Conditions incorporated by reference in the Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus dated 9 November 2017 and the supplement to the Base Prospectus dated 22 January 2018. The Base Prospectus and the supplement to the Base Prospectus are available for viewing during normal business hours at the registered office of the Issuer and copies may be obtained from the registered office of the Issuer. The Base Prospectus and, in the case of Notes admitted to trading on the regulated market of the

Luxembourg Stock Exchange, the Final Terms will also be published on the website of the Luxembourg Stock Exchange (www.bourse.lu).

1. (a) Series Number: 4
(b) Tranche Number: 2
(as referred to under the introduction to the Terms & Conditions of the Notes)
(c) Date in which Notes will be consolidated and form a single Series: The Notes will be consolidated and form a single Series with the Original Notes on exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 below, which is expected to occur on or about 40 days after the Issue Date.
2. Specified Currency or Currencies: Euro (€)
3. Aggregate Nominal Amount:
 - (a) Series: €750,000,000
 - (b) Tranche: €250,000,000
4. Issue Price: 99.94% of the Aggregate Nominal Amount plus €133,561.64 accrued interest from, and including, 18 January 2018 to, but excluding, the Issue Date.
5. (a) Specified Denominations: €100,000 and integral multiples of €1,000 in excess thereof up to and including €199,000. No Notes in definitive form will be issued with a denomination above €199,000.
(as referred to under Condition 1 (*Form, Denomination and Title*))
(b) Calculation Amount: €1,000
(as referred to under Condition 4.2 (*Interest on Floating Rate Notes and Inflation Linked Interest Notes*))
6. (a) Issue Date: 30 January 2018
(b) Interest Commencement Date: 18 January 2018
(as referred to under Condition 4 (*Interest*))
7. Maturity Date: 18 January 2029
8. Interest Basis: 1.625% Fixed Rate
(further particulars specified below)
9. Redemption Basis: Subject to any purchase and cancellation or early

(as referred to under Condition 6 (Redemption and Purchase)) redemption, the Notes will be redeemed on the Maturity Date at 100% of their nominal amount

10. Change of Interest Basis: Not Applicable

11. Put/Call Options: Not Applicable

(as referred to under Conditions 6.3 (Redemption at the option of the Issuer (Issuer Call)) and 6.4 (Redemption at the option of the Noteholders (Investor Put)))

12. Date Board approval for issuance of Notes obtained 23 October 2017

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

13. Fixed Rate Note Provisions: Applicable

(as referred to under Condition 4.1 (Interest on Fixed Rate Notes))

(a) Rate(s) of Interest: 1.625% per annum payable in arrear on each Interest Payment Date

(b) Interest Payment Date(s): 18 January in each year up to and including the Maturity Date

(c) Fixed Coupon Amount(s): €16.25 per Calculation Amount
(Applicable to Notes in definitive form.)

(d) Broken Amount(s): Not Applicable
(Applicable to Notes in definitive form.)

(e) Day Count Fraction: Actual/Actual (ICMA)

(f) Determination Date(s): 18 January in each year

14. Floating Rate Note Provisions: Not Applicable

(as referred to under Condition 4.2 (Interest on Floating Rate Notes and Inflation Linked Interest Notes))

15. Zero Coupon Note Provisions: Not Applicable

(as referred to under Condition 6.5(c) Redemption and Purchase - Early Redemption Amounts))

16. Inflation Linked Interest Note Provisions: Not Applicable

(as referred to under Condition 4.2 (*Interest on Floating Rate Notes and Inflation Linked Interest Notes*))

PROVISIONS RELATING TO REDEMPTION

- 17.** Issuer Call: Not Applicable

(as referred to under Condition 6.3 (*Redemption at the option of the Issuer (Issuer Call)*))
- 18.** Investor Put: Not Applicable

(as referred to under Condition 6.4 (*Redemption at the option of the Noteholders (Investor Put)*))
- 19.** Inflation Linked Redemption Note Provisions: Not Applicable
- 20.** Final Redemption Amount: €1,000 per Calculation Amount

(as referred to under Condition 6.1 (*Redemption at Maturity*) and, in the case of Inflation Linked Notes, Conditions 6.9 (*Redemption of Inflation Linked Notes*) and 6.10 (*Calculation of Inflation Linked Redemption*))
- 21.** Early Redemption Amount payable on redemption for taxation reasons or on event of default or pursuant to Condition 4.3 (*Inflation Linked Note Provisions*): €1,000 per Calculation Amount

(as referred to under Condition 6.5 (*Early Redemption Amounts*) and, in the case of Inflation Linked Notes, Conditions 6.9 (*Redemption of Inflation Linked Notes*) and 6.10 (*Calculation of Inflation Linked Redemption*))

GENERAL PROVISIONS APPLICABLE TO THE NOTES

- 22.** Form of Notes:
- (a) Form: Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon an Exchange Event
- (b) New Global Note: Yes
- 23.** Additional Financial Centre(s): Not Applicable

(as referred to under Condition 5.5 (*Payment Day*))

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

(as referred to under the Introduction to the
Terms and Conditions of the Notes)

Signed on behalf of Italgas S.p.A.:

By:

Duly authorised

PART 2

OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

(a) Listing and Admission to trading: Application has been made by the Issuer (or on its behalf) for the New Notes to be admitted to trading on Luxembourg Stock Exchange's regulated market and listing on the Official List of the Luxembourg Stock Exchange with effect from 30 January 2018.

The Original Notes are already admitted to trading on Luxembourg Stock Exchange's regulated market and listing on the Official List of the Luxembourg Stock Exchange.

(b) Estimate of total expenses related to admission to trading: €1,100

2. RATINGS

Ratings:

The New Notes to be issued have been rated:

Baa1 by Moody's Investors Service Ltd. (**Moody's**)

BBB+ by Fitch Italia S.p.A. (**Fitch**)

Each of Moody's and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**)

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the issue of the New Notes has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS, USE OF PROCEEDS AND TOTAL EXPENSES

Use of proceeds: General Corporate Purposes

5. YIELD (*Fixed Rate Notes only*)

Indication of yield: 1.631%

6. HISTORIC INTEREST RATE (*Floating Rate Notes only*)

Not Applicable

7. PERFORMANCE OF INDEX/FORMULA/OTHER VARIABLE AND OTHER INFORMATION CONCERNING UNDERLYING, EXPLANATION OF EFFECT ON VALUE OF INVESTMENT AND ASSOCIATED RISKS

Not Applicable

8. OPERATIONAL INFORMATION

- (a) ISIN: The temporary ISIN Code is: XS1761714564. The New Notes will be consolidated and form a single Series with the Original Notes on exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 of Part A of this Final Terms, which is expected to occur on or about 40 days after the Issue Date. Upon such consolidation, the New Notes will have the same ISIN Code as the Original Notes (being XS1685542497).
- (b) Common Code: The temporary Common Code is: 176171456. The New Notes will be consolidated and form a single Series with the Original Notes on exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph 22 of Part A of this Final Terms, which is expected to occur on or about 40 days after the Issue Date. Upon such consolidation, the New Notes will have the same Common Code as the Original Notes (being 168554249).
- (c) Any clearing system(s) other than Euroclear and Clearstream Luxembourg and the relevant identification number(s): Not Applicable
- (d) Names and addresses of additional Paying Agent(s) (if any): Not Applicable
- (e) Deemed delivery of clearing system notices for the purposes of Condition 13 (*Notices*): Any notice delivered to Noteholders through the clearing systems will be deemed to have been given on the second business day after the day on which it was given to Euroclear and Clearstream, Luxembourg.
- (f) Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the New Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the New 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 the ECB being satisfied that Eurosystem eligibility criteria have been met.

9. DISTRIBUTION

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| (a) | Method of distribution: | Syndicated |
| (b) | If syndicated, names of Managers: | BNP Paribas
Société Générale |
| (c) | Date of Subscription Agreement: | 26 January 2018 |
| (d) | Stabilisation Manager(s) (if any): | Not Applicable |
| (e) | If non-syndicated, name of relevant Dealer: | Not Applicable |
| (f) | U.S. Selling Restrictions: | Reg. S Compliance Category 2; TEFRA D |