

## FINAL TERMS

7 October 2016

TERNA - Rete Elettrica Nazionale S.p.A.

**Issue of €750,000,000, 1.000 per cent. Notes due 11 October 2028  
under the  
€8,000,000,000 Euro Medium Term Note Programme  
PART A - CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the terms and conditions of the Notes (the **Conditions**) set forth in the Base Prospectus dated 15 December 2015 and the supplements to it dated 24 February 2016, 17 May 2016 and 4 October 2016 which together constitute a base prospectus for the purposes of Article 5.4 of the Prospectus Directive (the **Base Prospectus**). 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. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

- |    |     |  |   |
|----|-----|--|---|
| 1. | (a) | Series Number:   | 2016-2  |
|    | (b) | Tranche Number:  | 1   |
|    | (c) | Date on which the Notes will be consolidated and form a single Series: | Not Applicable  |
| 2. |     | Specified Currency or Currencies:                                      | Euro (€)  |
| 3. |     | Aggregate Nominal Amount:  |   |
|    | (a) | Series:  | €750,000,000  |
|    | (b) | Tranche:   | €750,000,000  |
| 4. |     | Issue Price:   | 98.882 per cent. of the Aggregate Nominal Amount  |
| 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 |
|    | (b) | Calculation Amount:  | €1,000  |
| 6. | (a) | Issue Date:  | 11 October 2016   |
|    | (b) | Interest Commencement Date:  | Issue Date  |
| 7. |     | Maturity Date:   | 11 October 2028   |
| 8. |     | Interest Basis:  | 1.000 per cent. Fixed Rate<br>(see paragraph 13 below)  |

9.	Redemption/Payment Basis:	100 per cent.
10.	Change of Interest Basis:	Not Applicable
11.	Put/Call Options:	Not Applicable
12.	Date Board approval for issuance of Notes obtained:	Board of Directors' resolution dated 4 May 2016 and resolution ( <i>determina</i> ) of the Chief Executive Officer dated 5 October 2016, the latter registered in the Companies' Register of Rome on 6 October 2016.

#### **PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

13.	Fixed Rate Note Provisions:	Applicable
	(a) Rate(s) of Interest:	1.000 per cent. per annum payable in arrear on each Interest Payment Date
	(b) Interest Payment Date(s):	11 October in each year from, and including, 11 October 2017, up to and including the Maturity Date
	(c) Fixed Coupon Amount(s): ( <i>Applicable to Notes in definitive form</i> )	€10.00 per Calculation Amount
	(d) Broken Amount(s): ( <i>Applicable to Notes in definitive form</i> )	Not Applicable
	(e) Day Count Fraction:	Actual/Actual (ICMA)
	(f) Determination Date(s):	11 October in each year
14.	Floating Rate Note Provisions:	Not Applicable
15.	Zero Coupon Note Provisions:	Not Applicable
16.	Inflation Linked Interest Note Provisions:	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

17.	Notice periods for Condition 7.2:	Minimum period: 5 days Maximum period: 90 days
18.	Issuer Call:	Not Applicable
19.	Investor Put:	Not Applicable
20.	Inflation Linked Redemption Note Provisions:	Not Applicable
21.	Final Redemption Amount:	€1,000 per Calculation Amount

22. Early Redemption Amount payable on . €1,000 per Calculation Amount redemption for taxation reasons or on event of default:

**GENERAL PROVISIONS APPLICABLE TO THE NOTES**

23. 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

24. Additional Financial Centre(s) TARGET2

25. Talons for future Coupons to be attached to Definitive Notes: No

26. Redenomination applicable: Redenomination not applicable

Signed on behalf of **TERNA - Rete Elettrica Nazionale S.p.A.**:

By: .....  
Duly authorised

TERNA S.p.A.  
Funzione Finanza  
Responsabile  




## PART B - OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and admission to trading: Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and listed on the Official List of the Luxembourg Stock Exchange with effect from 11 October 2016
- (ii) Estimate of total expenses related to admission to trading: €7,240

### 2. RATINGS

Ratings: The Notes to be issued have been rated:

Fitch Ratings Ltd (**Fitch**): BBB+ (stable)

Moody's Investors Service Ltd. (**Moody's**): Baa1 (stable)

Standard & Poor's Credit Market Services Europe Limited (**S&P**): BBB (stable)

Each of Fitch, Moody's and S&P is established in the European Union and is registered under Regulation (EC) No. 1060/2009 (as amended) (the **CRA Regulation**). Each of Fitch, Moody's and S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with 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 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 AND TOTAL EXPENSES

Not Applicable

### 5. YIELD

Indication of yield: 1.100 per cent.

## 6. OPERATIONAL INFORMATION

- |       |  |  |
|-------|--|--|
| (i)   | ISIN:  | XS1503131713   |
| (ii)  | Common Code:   | 150313171  |
| (iii) | Any clearing system(s) other than Euroclear and Clearstream Luxembourg, and the relevant identification number(s): | Not Applicable   |
| (iv)  | Delivery:  | Delivery against payment   |
| (v)   | Names and addresses of additional Paying Agent(s) (if any):  | Not Applicable   |
| (vi)  | Deemed delivery of clearing system notices for the purposes of Condition 14:                                       | 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   |
| (vii) | Intended to be held in a manner which would allow Eurosystem eligibility:  | <p>Yes.</p> <p>Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs 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.</p> |

## 7. DISTRIBUTION

- |       |                                   |  |
|-------|-----------------------------------|--|
| (i)   | Method of distribution:           | Syndicated   |
| (ii)  | If syndicated, names of Managers: | Banca IMI S.p.A.<br>BNP Paribas<br>Goldman Sachs International<br>Merrill Lynch International<br>Société Générale<br>The Royal Bank of Scotland plc<br>UniCredit Bank AG |
| (iii) | Date of Subscription Agreement:   | 7 October 2016   |
| (iv)  | Stabilising Manager(s) (if any):  | Not Applicable   |

- (v) If non-syndicated, name of relevant Dealer: Not Applicable
- (vi) U.S. Selling Restrictions: Reg. S Compliance Category 2; TEFRA D