

**€ 700,000,000 ISPA SERIES 4-3 HIGH SPEED RAILWAY FUNDING NOTES DUE 2034**

**ISIN: IT0003685093 COMMON CODE: 019605779**

**ORIGINAL PRICING SUPPLEMENTS UNDER THE €25,000,000,000 ISPA HIGH SPEED  
RAILWAY FUNDING NOTE PROGRAMME**

**AND**

**RELEVANT FINAL TERMS UNDER THE MTN PROGRAMME OF THE REPUBLIC OF  
ITALY**

**€ 700,000,000 ISPA SERIES 4-3 HIGH SPEED RAILWAY FUNDING NOTES DUE 2034**

**ISIN: IT0003685093 COMMON CODE: 019605779**

**PRICING SUPPLEMENTS AI SENSI DEL €25,000,000,000 ISPA HIGH SPEED RAILWAY  
FUNDING NOTE PROGRAMME**

**E**

**RELATIVI FINAL TERMS NELL'AMBITO DEL PROGRAMMA DI  
EMISSIONE INTERNAZIONALE DELLA REPUBBLICA ITALIANA**

INFRASTRUTTURE S.p.A.

€25,000,000,000 ISPA HIGH SPEED RAILWAY FUNDING NOTE PROGRAMME

€700,000,000 SERIES 4-3 ISPA HIGH SPEED RAILWAY FUNDING NOTES  
DUE 2034

fungible with  
€500,000,000 Series 4-2 ISPA High Speed Railway Funding Notes due 2034  
and  
(as from and excluding the Fixed Payment Date in July 2006)  
fungible with €1,000,000,000 Series 4 ISPA High Speed Railway Funding Notes due 2034

PRICING SUPPLEMENT

Managers

Société Générale  
The Royal Bank of Scotland plc  
UBS Limited

## Pricing Supplement dated 18 April 2005

## Infrastrutture S.p.A.

Issue of

€700,000,000 Series 4-3 ISPA High Speed Railway Funding Notes due 2034

under the

€25,000,000,000 ISPA High Speed Railway Funding Note Programme

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the Notes set out in the Offering Circular dated 29 January 2004 as supplemented on 28 May 2004. This Pricing Supplement contains the final terms of the Notes and must be read in conjunction with such Offering Circular (as supplemented).

1. **Issuer:** Infrastrutture S.p.A.
  
2. **Series Number:** 4-3  
 If fungible with an existing Series, details of the Series, including the date on which the Notes become fungible: Fungible with €500,000,000 Series 4-2 ISPA High Speed Railway Funding Notes due 2034 (ISIN Code IT0003746341) as from the Issue Date, and with €1,000,000,000 Series 4 ISPA High Speed Railway Funding Notes due 2034 (ISIN Code IT0003685093) as from (and excluding) the Fixed Payment Date falling on July 2006
  
3. **Specified Currency or Currencies:** Euro
  
4. **Aggregate Nominal Amount:** Euro 700,000,000  
 Aggregate Nominal Amount in Euro and rate of exchange/method of calculating same: Not Applicable  
 If fungible with an existing Series, Aggregate Nominal Amount of Series taking into account the Notes being issued: As from the Issue Date, Euro 1,200,000,000.  
 As from (and excluding) the Fixed Payment Date falling on July 2006, Euro 2,200,000,000.

5. **Issue Price:** 113.334 per cent of the Aggregate Nominal Amount.
- Financing Proceeds: Euro 793,338,000.00  
 Of which Cash Reserve Amount: Euro 0 (zero)  
 Of which Liquidity Facility Reserve: Not Applicable  
 Of which Expenses Retention Amount: Euro 0 (zero)  
 Of which premium amount (arising from the issuing of the Relevant Notes at a price above par): Euro 93,338,000.00
- Refinancing Proceeds: Not Applicable
- Interest accrued on the Notes up to the Issue Date, to be received by the Issuer from the Managers: Euro 15,756,713.00 (the "Accrued Interest Amount").
- The Accrued Interest Amount shall be credited to the Issuer Collection Account and recorded on the Additional Reserve Record.
- On the Business Day immediately preceding the Determination Date falling in July 2006, the Project Facility Manager shall debit the Accrued Interest Amount to the Additional Reserve Record and credit the same amount to the Payments Account to form part of the Issuer Available Funds on the Fixed Payment Date falling on July 2006.
- Net proceeds (based on the Issue Price and after addition of Accrued Interest Amount and deduction of Managers' commissions): Euro 807,834,713.00
6. **Specified Denomination:** Euro 1,000
7. **Issue Date:** 19 April 2005
- Interest Commencement Date: 12 November 2004, being the issue date of the *€500,000,000 Series 4-2 ISPA High Speed Railway Funding Notes due 2034*.



8. **Final Maturity Date:** 31 July 2034 or, if such a date is not a Business Day, the immediately following Business Day.
9. **Interest Basis:** 5.2 per cent fixed rate (*Further details specified below*)
10. **Redemption/Payment Basis:**
- (i) Redemption basis Redemption at par
  - (ii) Amortising Notes Not Applicable
  - (iii) – Bullet Notes Applicable
  - Scheduled Maturity Date 31 July 2034 or, if such a date is not a Business Day, the immediately following Business Day.
11. **Listing:** Application has been made for the Notes to be listed on the Luxembourg Stock Exchange
12. **Method of distribution:** Syndicated
13. **Ratings:** AA/Aa2/AA- (by Fitch, Moody's and S&P respectively)

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

14. **Fixed Rate Note Provisions** Applicable
- (i) Rate of Interest: 5.2 per cent. per annum payable annually in arrear
  - (ii) Fixed Interest Commencement Date 12 November 2004, being the issue date of the €500,000,000 *Series 4-2 ISPA High Speed Railway Funding Notes due 2034*.
  - (iii) Fixed Payment Date(s): 31 July in each year, with the first Fixed Payment Date falling in July 2006. If a Fixed Payment Date is not a Business Day, Noteholders will not be entitled to

payment of the relevant amount until the immediately following Business Day and will not be entitled to further interest or other payment in respect of such delay.

For the avoidance of doubt, no interest or principal will be paid on the Notes prior to the Fixed Payment Date falling in July 2006

- |   |   |
|---|---|
| (iv) Fixed Interest Amount(s):  | Euro 52 per Note of Euro 1,000 Specified Denomination                                     |
| (v) Day Count Fraction:   | Actual/Actual (ISMA)  |
| (vi) Broken Amount(s):  | For the initial Interest Period, Euro 89.18 per Note of Euro 1,000 Specified Denomination |
| (vii) Other terms relating to the method of calculating interest for Fixed Rate Notes, including any provisions as to default interest: | Not Applicable  |

- |                                   |                |
|-----------------------------------|----------------|
| 15. Floating Rate Note Provisions | Not Applicable |
| 16. Index Linked Note Provisions  | Not Applicable |

#### PROVISIONS RELATING TO REDEMPTION

- |   |  |
|---|--|
| 17. Fixed Redemption Amount of each Note: | Euro 1,000.00 per Note of Euro 1,000.00 Specified Denomination |
| 18. Early Redemption Amount               | Not Applicable   |
| 19. Early Redemption of a Series of Notes | Not Applicable   |
| 20. Early Partial Redemption              | Not Applicable   |

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES



21. **Form of Notes:** The Notes will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli for the account of the relevant Monte Titoli Accountholders. The Notes have been accepted for clearance by Monte Titoli with effect from their Issue Date. The Notes will at all times be held in book entry form and title to the Notes will be evidenced by book entries in accordance with the provision of Legislative Decree No. 213 and CONSOB Resolution No. 11768. No physical document of title will be issued in respect of the Notes.
22. **Financial Centre(s) or other special provisions relating to Payment Dates:** Not Applicable
23. **Other terms or special conditions:** Not Applicable
24. **Additional Reserve Provisions** See provisions regarding the Accrued Interest Amount in paragraph 5 above.

#### DISTRIBUTION

25. **If syndicated, names of Managers:** Société Générale, The Royal Bank of Scotland plc and UBS Limited.
- Stabilising Manager (if any) and Lead Manager: Société Générale
26. **If non-syndicated, name of Dealer:** Not Applicable
27. **TEFRA:** Not Applicable
28. **Additional selling restrictions:** Not Applicable

## OPERATIONAL INFORMATION

- |  |  |
|--|--|
| 29. ISIN Code:   | Up to and excluding, the Fixed Payment Date falling on July 2006 IT0003746341, and thereafter, IT0003685093. |
| 30. Common Code:   | Up to and excluding, the Fixed Payment Date falling on July 2006, 020571284, and thereafter, 019605779       |
| 31. Any clearing system(s) other than Monte Titoli, Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable   |
| 32. Delivery:  | Delivery free of payment   |
| 33. Additional Paying Agent(s) (if any):   | Not Applicable   |
| 34. Hedging Counterparties (if any):   | Not Applicable   |
| 35. Liquidity Facility Provider (if any)   | Not Applicable   |
| 36. Reference Banks (if different from Condition 10.5)   | Not Applicable   |
| 37. Rounding (if different from Condition 20)  | Not Applicable   |
| 38. Redenomination, Renominalisation and Reconventioning pursuant to Condition 21  | Not Applicable   |





## DETAILS OF PROJECT LOAN TRANCHE

The form of the Project Loan Tranche to be financed by the proceeds of the Notes is attached as Schedule 2 hereto.

## LISTING APPLICATION

This Pricing Supplement comprises the details required to list the issue of Notes described herein pursuant to the €25,000,000,000 ISPA High Speed Railway Funding Note Programme of Infrastrutture S.p.A.

## AMENDMENT TO THE CREDIT FACILITY AGREEMENT

On 17th December 2004 an amendment agreement was executed in respect of the Credit Facility Agreement. The amendment relates only to Clause 3.6 of the Credit Facility Agreement and is of formal nature. As such, the amendment was approved by J.P. Morgan Corporate Trustee Services Limited as representative of the holders of the notes issued by Infrastrutture S.p.A. under the Programme. Copy of the amendment agreement will be available at the offices in London of J.P. Morgan Corporate Trustee Services Limited and at the offices in Luxembourg of J.P. Morgan Bank Luxembourg S.A.

## UPDATE OF THE OFFERING CIRCULAR


The Offering Circular is in the process of being up-dated. The up-date will relate, *inter alia*, to the sections describing the Group Holding Company, the Borrowers and their respective selected financial information, the business activities of the Borrowers, and the Project. In particular, with respect to the Project, the Borrowers have represented that (i) the costs estimation of certain Segments and Junctions (both as defined in the Offering Circular) have changed, also through the allocation of part of the contingencies to such Segments and Junctions; (ii) although the total investment costs of the Project remain equal to Euro 29,560 million as indicated in Offering Circular dated 29 January 2004, the resulting amount of the contingencies is undergoing an assessment process aimed at verifying the adequacy of such contingencies vis-à-vis the current status of the Project; (iii) such assessment process may lead to an increase of the total investment costs of the Project of up to 2.1% of the current costs, subject to a positive assessment by the *Comitato Interministeriale per la Programmazione Economica (CIPE)* that the increased investment is necessary for the completion of the Project.

## RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of

**Infrastrutture S.p.A.**

  
 Name:  
 Title:

4

Schedule 1

Schedule of Amortisation

Not Applicable

4

## Schedule 2

## Project Loan Tranche Annex being financed by issue of Notes

*THIS PROJECT LOAN TRANCHE ANNEX No. 11 is made on 18 April 2005*

## BETWEEN

**RETE FERROVIARIA ITALIANA S.p.A.**, a company incorporated under the laws of the Republic of Italy as a società per azioni, with registered office at Piazza della Croce Rossa no. 1, 00161 Rome (Italy), stock capital €9,420,757,761.00 (fully paid in), fiscal code and registered with the Registro delle Imprese of Rome under no. 01585570581, a company subject to the direction and co-ordination of Ferrovie dello Stato S.p.A., pursuant to Article 2497-sexies of the Italian Civil Code and to Italian Legislative Decree No. 188/2003;

**TRENO ALTA VELOCITA' - T.A.V. S.p.A.**, a company incorporated under the laws of the Republic of Italy as a società per azioni, with registered office at Via Mantova no. 24, 00198 Rome (Italy), stock capital €5,189,071,424.18 (fully paid in), fiscal code no. 04131961007 and registered with the Registro delle Imprese of Rome under no. 734000, a company subject to the direction and co-ordination of Rete Ferroviaria Italiana S.p.A., Ferrovie dello Stato group; and

**INFRASTRUTTURE S.p.A.**, a company incorporated under the laws of the Republic of Italy as a società per azioni, with registered office at Via Goito no. 4, 00185 Rome (Italy), stock capital €10,000,000 (fully paid in), fiscal code and registered with the Registro delle Imprese of Rome under no. 0730398100, enrolled with No. 34960 in the register kept by Ufficio Italiano dei Cambi under Article 106 of Legislative Decree No. 385 of 1 September 1993 (the "**Banking Act**") and registered in the special register kept by the Bank of Italy under Article 107 of the Banking Act.

1. We refer to the agreement (the "**Credit Facility Agreement**") dated 23 December 2003 and made between, Treno Alta Velocità - T.A.V. S.p.A. as Borrower and Rete Ferroviaria Italiana S.p.A. as Borrower and Credit Facility Guarantor and Infrastrutture S.p.A. as Lender and Project Facility Manager. Terms defined in the Credit Facility Agreement shall have the same meaning when used in this Project Loan Tranche Annex.
2. Pursuant to Clause 2.4 (Drawdown of Advances under the Project Loan Tranches) of the Credit Facility Agreement the Parties wish to set out the following additional terms in relation to the Project Loan Tranche No. 11:

**Identification of Relevant Notes:**

€ 700,000,000 Series 4-3 ISPA High Speed Railway Funding Notes due 2034 (the "**Series 4-3 Notes**").

**Refinancing Deadline:**

In respect of the Series 4-3 Notes: 9 September 2033.

In respect of any further Relevant Notes or Relevant Funding Loan issued or borrowed to refinance the Series 4-3 Notes or any

further Relevant Notes or Relevant Funding Loan in connection with the Project Loan Tranche No. 11, 9 September of the year preceding the year of final maturity of such Relevant Notes or Relevant Funding Loan.

*Project Loan Tranche Total Amount:* Euro 700,000,000

*Project Loan Tranche Availability Period:* The period starting from and including the date on which the Lender is committed to make an Advance to a Borrower under the Project Loan Tranche No.11 pursuant to the provisions of Clauses 2.5 and 3.1 of the Credit Facility Agreement and ending on (and including) 9 September 2033.

*Available Project Loan Tranche Amount:* The Project Loan Tranche Total Amount at any time less the aggregate amount of all Advances which have been made under the Project Loan Tranche No. 11 at such time.

*Initial Expenses:* Euro 1,905,254.00.

*Maximum Amount:* Euro 3,753,266,918.

*Principal Repayment Plan:* Subject to the provisions of the Credit Facility Agreement, principal in respect of each Advance shall be repaid on each Facility Payment Date starting from (and including) the Facility Payment Date falling in 2034 and ending on the Facility Final Maturity Date, as set out in the Annex hereto.

Upon any mandatory prepayment in accordance with Clause 7.3 of the Credit Facility Agreement, the Project Facility Manager will make adjustments to the amount of the future instalments due on each Facility Payment Date pro rata to the amounts detailed in the Annex and the Facility Final Maturity Date will not change, except in the event of mandatory prepayment in full of all amounts outstanding under any Advance.

*Interest Rate:* 5.2 per cent, per annum payable annually in arrear



*Provided that,*

- (1) *in the case of a refinancing of the Series 4-3 Notes, the Interest Rate shall be the rate determined by the Project Facility Manager upon consultation with the Borrowers and the Lender (and notified to the Parties to the Credit Facility Agreement) in accordance with Clause 3.4 of the Credit Facility Agreement and such new Interest Rate will apply as of the Funding Payment Date falling in July 2034; and*
- (2) *in the case of a refinancing of any further Relevant Notes or Relevant Funding Loan in connection with Project Loan Tranche No. 11, the Interest Rate shall be the rate determined by the Project Facility Manager upon consultation with the Borrowers and the Lender (and notified to the Parties to the Credit Facility Agreement) in accordance with Clause 3.4 of the Credit Facility Agreement and such new Interest Rate will apply as of the maturity date of such further Relevant Notes or Relevant Funding Loan (as adjusted in accordance with the applicable business day convention);*

*provided however that, upon any such refinancing, the Project Facility Manager may determine a floating or index linked interest rate to this Project Loan Tranche only in agreement with the Borrowers and the Lender.*

***First Payment Amount:***

*Euro 0 (zero).*

***Basis of Accrual:***

*Interest, commissions and fees in respect of the Project Loan Tranche No. 11 shall be calculated on the following basis:*

- (a) *where the calculation period is*



*equal to or shorter than the Interest Period during which it falls, the actual number of days in the calculation period divided by the product of (1) the actual number of days in such Interest Period and (2) the number of Interest Periods in any year; and*

- (b) *where the calculation period is longer than one Interest Period, the sum of:*
  - (A) *the actual number of days in such calculation period falling in the Interest Period in which it begins divided by the product of (1) the actual number of days in such Interest Period and (2) the number of Interest Periods in any year; and*
  - (B) *the actual number of days in such calculation period falling in the next Interest Period divided by the product of (1) the actual number of days in such Interest Period and (2) the number of Interest Periods in any year.*

*Provided that,*

- (3) *in the case of a refinancing of the Series 4-3 Notes, the basis of accrual applicable as of 31 July 2034 (as adjusted in accordance with the applicable business day convention) shall be the basis determined by the Project Facility Manager (and notified to the Parties to the Credit Facility Agreement) in accordance with Clause 26.1 of the Credit Facility Agreement; and*



- (4) *in the case of a refinancing of any further Relevant Notes or Relevant Funding Loan in connection with the Project Loan Tranche No. 11, the basis of accrual applicable as of the maturity date of such further Relevant Notes or Relevant Funding Loan (as adjusted in accordance with the applicable business day convention) shall be the basis determined by the Project Facility Manager (and notified to the Parties to the Credit Facility Agreement) in accordance with Clause 26.1 of the Credit Facility Agreement.*

*Business Day Convention:*

*The provisions of Clauses 23.5.1 and 23.5.2 of the Credit Facility Agreement will apply without amendments.*

*Index Linked Provisions:*

*Not applicable*

*Floating Rate Provisions:*

*Not applicable*

*Quotation Date:*

*Not applicable*

*Additional Conditions Precedent:*

*Not applicable*

*Additional Representations:*

*Not applicable*

*Additional Covenants:*

*Not applicable.*

*Additional Provisions:*

*1. Duration of first Interest Period and first Facility Payment Date*

*Notwithstanding the provisions of Clause 4.2 and Clause 5.1 of the Credit Facility Agreement, the first Interest Period in respect of each Advance made under the Project Loan Tranche No. 11 before the Facility Payment Date falling in 2006 shall end on the Facility Payment Date falling in 2006 and the first Facility Payment Date in respect of each such Advance shall be the Facility Payment Date falling in 2006.*

*2. Splitting or consolidation of Project Loan Tranche Annex No. 4, Project Loan Tranche Annex No. 6 and Project Loan*

**Tranche Annex No. 11**

For the avoidance of doubt, it is acknowledged that:

- (i) the €1,000,000,000 Series 4 ISPA High Speed Railway Funding Notes due 2034 (the "**Series 4 Notes**"), the €500,000,000 Series 4-2 ISPA High Speed Railway Funding Notes due 2034 (the "**Series 4-2 Notes**") and the Series 4-3 Notes will be fully fungible as from the Funding Payment Date falling in July 2006; and therefore
- (ii) in the event of a refinancing, the Series 4 Notes, the Series 4-2 Notes and the Series 4-3 Notes shall not be separately refinanced and the Project Loan Tranche Annex No. 4, the Project Loan Tranche Annex No. 6 and the Project Loan Tranche Annex No. 11 shall be split or consolidated, as the case may be, in as many Project Loan Tranche Annexes as there are series of Relevant Notes or Relevant Funding Loans, as the case may be, issued or borrowed to finance or refinance the Series 4 Notes, the Series 4-2 Notes and the Series 4-3 Notes.

**3. Amendments to this Project Loan Tranche Annex**

Upon any further Relevant Notes or Relevant Funding Loan issued or borrowed to refinance the Series 4-3 Notes or any further Relevant Notes or Relevant Funding Loan in connection with the Project Loan Tranche No. 11, this Project Loan Tranche Annex and the Principal Repayment Plan may be modified as agreed by the Parties and such modification to be notified to the rating agencies then rating any Notes.



#### 4. Conditions Precedent to each Advance

*Without prejudice to the other provisions of Clause 3.2 of the Credit Facility Agreement, each Advance under the Project Loan Tranche Annex No. 11 will be made notwithstanding the time limits imposed in Clause 3.2.1 of the Credit Facility Agreement, and the provisions of clause 3.2.4(b) and clause 3.2.9 of the Credit Facility Agreement, which will not apply, and the first Advance only will be made notwithstanding the time limits imposed in Clause 3.2.2 of the Credit Facility Agreement, which will not apply.*

*Without prejudice to the other provisions of Clause 2.5.2 of the Credit Facility Agreement, for the purpose of the first Advance under the Project Loan Tranche Annex No. 11, the certificato di iscrizione of the Borrowers issued by the competent Chamber of Commerce may be dated no earlier than 30 days before the date of such Advance.*

#### 5. Premium Amount.

*The Lender hereby undertakes to pay to the Borrowers, at the time and subject to the conditions described below, Euro 93,338,000.00 (the "**Premium Amount**") being the aggregate amount arising from the issuing of the Series 4-3 Notes at a price above par, namely the difference between the gross proceeds from the issuance of the Series 4-3 Notes and the aggregate nominal amount of the Series 4-3 Notes.*

*On the date of the issue of the Series 4-3 Notes, the Premium Amount net of an amount equal to the Initial Expenses, shall be recorded by the Project Facility Manager in the Funding Record.*

*The Premium Amount, subject in any case to paragraphs No. 7 and No. 9 below, shall be paid (for the avoidance of doubt, net of*

the Initial Expenses) to the Borrowers pro quota in proportion to the amounts drawn by each of them under the Project Loan Tranche No. 11. Consequently, in occasion of each Advance made under the Project Loan Tranche No. 11 the Lender shall pay to the Borrower requesting such Advance an amount calculated by the Project Facility Manager as follows:

$QP = AA / PLTTA * (PA - IE)$  where:

- QP is the quota of the Premium Amount to be paid in occasion of the relevant Advance;
- AA is the amount of the relevant Advance;
- PLTTA is the Project Loan Tranche Total Amount of the Project Loan Tranche annex No. 11;
- IE is the amount of the Initial Expenses;
- PA is the Premium Amount.

The Borrowers shall use any amount received in respect of the Premium Amount for the purposes of Clause 2.2 (Purpose and Application) of the Credit Facility Agreement.

The Premium Amount shall not be considered for the purpose of calculating the Project Loan Tranche Total Amount, it will not represent principal advanced to the Borrowers and interest will not accrue on it. Consequently, the RFI Guarantee shall not extend to the Premium Amount.

## 6. Accrued Interest

The Parties acknowledge and agree that:

- (i) the Series 4-3 Notes are meant to be fungible, on issue, with the Series 4-2 and interest will accrue on the Series 4-3 Notes as from 12 November 2004 (i.e. the issue date of the Series 4-2



Notes);

- (ii) *the Lender will therefore receive from the subscribers of the Series 4-3 Notes on their issue date an additional amount of Euro 15,756,713.00 in respect of interest accrued from 12 November 2004 (such amount, the "Accrued Interest Amount");*
- (iii) *the Accrued Interest Amount shall be credited to the Lender Account and recorded by the Project Facility Manager in the Additional Reserve Record;*
- (iv) *on the Business Day immediately preceding the Determination Date falling in July 2006 (both terms as defined in the Intercreditor Agreement), the Project Facility Manager shall debit the Accrued Interest Amount to the Additional Reserve Record and credit the same amount to the Payments Account to form part of the funds available to the Lender to make payments due on the Funding Payment Date falling in July 2006; and*
- (v) *subject to paragraph No. 7 below, the Negative Carry due pursuant to Clause 21.2.2 of the Credit Facility Agreement on the Facility Payment Date falling in July 2006 will be reduced by an amount equal to the Accrued Interest Amount.*

**7. Conditions to payment of the Premium Amount and reduction of Negative Carry**

*The obligation of the Lender to pay the Premium Amount and the provisions on the reduction of the Negative Carry referred to, respectively, in paragraph No. 5 and paragraph No. 6 above, will be effective only upon issue of the Series 4-3 Notes, receipt by the Lender of Euro 807,834,713.00 in accordance with the*

*Transaction Documents and recording of Euro 15,756,713.00 on the Additional Reserve Record.*

#### **8. Mandatory Prepayment**

*For the avoidance of doubt, the Parties acknowledge and agree that, for purposes of any mandatory prepayment pursuant to Clause 7.3 of the Credit Facility Agreement:*

- (i) the Project Loan Tranche Annex No. 4, the Project Loan Tranche Annex No. 6 and the Project Loan Tranche Annex No. 11 shall be considered as a whole, and*
- (ii) any reference to the Relevant Notes shall be intended as a joint reference to the Series 4 Notes, the Series 4-2 Notes and the Series 4-3 Notes,*

*and, consequently, the amounts due to be prepaid by the Borrowers under each of the Project Loan Tranche Annex No. 4, the Project Loan Tranche Annex No. 6 and the Project Loan Tranche Annex No. 11 pursuant to Clause 7.3 of the Credit Facility Agreement shall be proportional to the principal outstanding under each of them.*

#### **9. Initial Expenses**

*Norwithstanding the provisions of Clause 19.1.1 of the Credit Facility Agreement, the Initial Expenses will be paid on the issue date of the Series 4-3 Notes, where an equivalent amount will be deducted by the Lender (which is hereby authorised to do so) from the Premium Amount and not from the amount of the first Advance.*

#### **10. Additional Provisions**

*The Parties acknowledge that the amendments and supplements to the Credit Facility Agreement referred to in*

*paragraph "Additional Provisions" are made in accordance with Clause 3.5.3 of the Credit Facility Agreement.*

- 3. The Parties confirm that neither the Interest Rate nor the Default Interest applicable to any Advance to be drawn under the Project Loan Tranche No. 11 exceed on the date hereof the maximum rate currently permitted by Italian Usury Law.*
- 4. This Project Loan Tranche Annex will supplement and constitute an integral part of the Credit Facility Agreement.*

*This Project Loan Tranche Annex is governed by, and shall be construed in accordance with, Italian law.*

*Each Party agrees for the benefit of the other parties that the courts of Rome shall have exclusive jurisdiction to hear and determine any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Project Loan Tranche Annex and, for such purposes, irrevocably submits to the jurisdiction of such courts.*

*This Project Loan Tranche Annex is exempt from registration tax and stamp duty as well as from any other indirect taxes pursuant to paragraph 10 of Article 8 of Law Decree No. 63 of 15 April 2002 converted, with amendments, into Law No. 112 of 2002, as subsequently amended by Law Decree No. 269 of 30 September 2003, converted with amendments, into Law No. 326 of 24 November 2003.*

*This Project Loan Tranche Annex is executed in three originals, one for each Party.*



## ANNEX

## PRINCIPAL REPAYMENT PLAN

Each Advance will be repaid in instalments on each Facility Payment Date starting from the Facility Payment Date falling in year 2034 up to the Facility Final Maturity Date, in accordance with the following plan which assumes drawdown in full of the Project Loan Tranche Total Amount:

<i>Facility Payment Date</i>	<i>Principal instalment amount</i>
July 2034	€ 17,857,142.86
July 2035	€ 17,857,142.86
July 2036	€ 17,857,142.86
July 2037	€ 17,857,142.86
July 2038	€ 17,857,142.86
July 2039	€ 17,857,142.86
July 2040	€ 17,857,142.86
July 2041	€ 17,857,142.86
July 2042	€ 17,857,142.86
July 2043	€ 17,857,142.86
July 2044	€ 17,857,142.86
July 2045	€ 17,857,142.86
July 2046	€ 17,857,142.86
July 2047	€ 17,857,142.86
July 2048	€ 17,857,142.86
July 2049	€ 17,857,142.86
July 2050	€ 17,857,142.86
July 2051	€ 17,857,142.86
July 2052	€ 17,857,142.86
July 2053	€ 17,857,142.86
July 2054	€ 17,857,142.86
July 2055	€ 17,857,142.86

<i>July 2056</i>	<i>€ 17,857,142.86</i>
<i>July 2057</i>	<i>€ 17,857,142.86</i>
<i>July 2058</i>	<i>€ 17,857,142.86</i>
<i>July 2059</i>	<i>€ 17,857,142.86</i>
<i>July 2060</i>	<i>€ 17,857,142.78</i>
<i>July 2061</i>	<i>€ 17,857,142.86</i>



*SIGNATURES**Rete Ferroviaria Italiana S.p.A.**as Borrower and Credit Facility Guarantor*

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*By:**Title:**Treno Alta Velocità - T.A.V. S.p.A.**as Borrower*

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*By:**Title:**Infrastrutture S.p.A.**as Lender and Project Facility Manager*

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*By:**Title:*



Schedule 3  
Details of Hedging Agreement(s)  
Not Applicable

A large, stylized handwritten mark, possibly a signature or initials, located in the bottom right corner of the page. It consists of a large 'A' shape with a vertical line to its left.

Schedule 4

Details of Liquidity Facility Agreement(s)

Not Applicable

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## FINAL TERMS

Series No.: [ ]

Tranche No.: [ ]

**Republic of Italy**

**U.S. \$56,000,000,000**

### **Programme for the Issuance of Debt Instruments**

Issue of

***EUR 700,000,000 5.2 per cent Fixed Rate Instruments due 2034***

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 21 March 2007 (the "**Base Prospectus**") in relation to the Programme) of the Issuer.

These Final Terms (as referred to in the 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 Base Prospectus dated 21 March 2007.

From the dated hereof, these Final Terms replace and constitute the terms and conditions of the Euro 700,000,000 5.2 per cent Fixed Rate notes due 2034 issued by Infrastrutture S.p.A. on 19 April 2005, under its Euro 25,000,000,000 ISPA High Speed Railway Funding Note Programme dated 29 January 2004 (the "**ISPA Programme**"), further to the joint meeting of all holders of the notes issued by Infrastrutture S.p.A. (as merged by way of incorporation by operation of law in Cassa depositi e prestiti S.p.A.) under the ISPA Programme having approved on [●] 2007 the full replacement of (i) the terms and conditions of the ISPA Programme with the terms and conditions contained in the Base Prospectus, (ii) the rules governing the meeting of the holders of the notes issued under the ISPA Programme with the provisions for meetings of holders of the Instruments issued under the Programme as scheduled to the agency agreement relating thereto, and (iii) each pricing supplement relating to a series of notes issued under ISPA Programme with corresponding Final Terms, in each case with acceptance of any differences between the conditions, the rules and pricing supplement relating to the said notes issued by Infrastrutture S.p.A. and, respectively, terms and conditions incorporated under the Base Prospectus, the rules governing meetings scheduled to the agency agreement of the Programme and the relevant Final Terms.

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

1.	Issuer:	Republic of Italy
2.	Arranger:	N/A
3.	Relevant Dealer/Lead Manager:	Société Générale
4.	Syndicated:	Yes
5.	Other Dealers/Managers (if any):	Société Générale, The Royal Bank of Scotland plc and UBS Limited
6.	Status:	Unsubordinated
7.	Currency:	
	- of Denomination	Euro ("EUR")
	- of Payment (Condition 1.10)	EUR
8.	Aggregate Principal Amount:	
	(i) Series	EUR 2,200,000,000
	(ii) Tranche	EUR 700,000,000
9.	If interchangeable with existing Series:	Fungible with the EUR 1,000,000,000 5.2 per cent Fixed Rate Instruments due 2034 issued on 6 July 2004, as from and excluding the Interest Payment Date falling in July 2006, and fungible with the EUR 500,000,000 5.2 per cent Fixed Rate Instruments as from (and excluding) the Interest Payment Date falling in July 2006.
10.	Issue Date:	19 April 2005
11.	Issue Price:	113.334 per cent. of the Aggregate Principal Amount
12.	Commission Payable:	EUR 1,428,000.00
13.	Selling Concession:	None
14.	Expenses:	None

15. (a) Form of Instruments: The Instruments will be held in dematerialised form on behalf of the beneficial owners, until redemption or cancellation thereof, by Monte Titoli S.p.A. for the account of the relevant Monte Titoli Account Holders. The Instruments have been accepted for clearance by Monte Titoli S.p.A. with effect from their Issue Date. The Instruments will at all times be held in book entry form and title to the Instruments will be evidenced by book entries in accordance with the provision of Italian Legislative Decree No. 213 of 24 June 1998 and CONSOB Resolution No. 11768 of 28 December 1998, as amended. No physical document of title will be issued in respect of the Instruments. The expression "Monte Titoli Account Holders" means any authorised financial intermediary institution entitled to hold accounts on behalf of their customers with Monte Titoli S.p.A. and includes any depository banks appointed by Euroclear Bank S.A./N.V. as operator of the Euroclear System and Clearstream Banking, société anonyme, Luxembourg.
- (b) Bearer Instruments No  
exchangeable for Registered  
Instruments:
16. If issued in Bearer form:
- (a) Initially represented by a Temporary Global Instrument or Permanent Global Instrument: (Condition 1.2) Not Applicable
- (b) Temporary Global Instrument exchangeable for Definitive Instruments: No
- (c) Permanent Global Instrument exchangeable at the option of the bearer for Definitive Instruments: No

Instruments:  
(Condition 1.5)

- (d) Talons for future Coupons to be attached to Definitive

Instruments:  
(Condition 1.6)

- (e) Receipts to be attached to Instalment Instruments which are Definitive Instruments:

(Condition 1.7)

- (f) Definitive Instruments to be in IPMA or successors format:

17. New Global Note form: Not Applicable

18. Denomination(s): EUR 1,000  
(Condition 1.8 or 1.9)

19. Partly Paid Instruments: No  
(Condition 1.11)

20. If issued in Registered Form:

- Registrar: Not Applicable  
(Condition 2.2)

21. Interest: Interest bearing  
(Condition 5)

22. Interest Rate: 5.2 per cent fixed rate (*Further details specified below*)  
(Condition 5.2)

## **FIXED RATE INSTRUMENT PROVISIONS**

23. Applicable

- (a) Rate of interest: 5.2 per cent per annum payable annually in arrear

- (b) Interest Payment Date(s): 31 July in each year with the first Interest Payment Date falling in July 2006.

If an Interest Payment Date is not a Business Day, Holders of Instruments will not be entitled to payment of the relevant amount until the immediately

following Business Day and will not be entitled to further interest or other payment in respect of such delay. For the avoidance of doubt, no interest or principal will be due on the Instruments prior to the Interest Payment Date on 31 July 2006.

- (c) Fixed Coupon Amount(s): Euro 52 per Instrument of Euro 1,000 denomination
- (d) Broken Amount(s): For the initial Interest Period, Euro 89.18 per Instrument of Euro 1,000 denomination
- (e) Day Count Fraction: Actual/Actual (ICMA)
- (f) Determination Dates: Not Applicable

Other terms relating to the method of calculating interest Not Applicable

#### **FLOATING RATE INSTRUMENT PROVISIONS**

24. Not Applicable

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

25. Maturity Date: 31 July 2034, if such a date is not a Business Day, the immediately following Business Day.  
(Condition 6.1)
26. Dates for payment of Instalment Amounts (Instalment Instruments): Not Applicable  
(Condition 6.1)
27. Maturity Redemption Amount: Not Applicable  
(Condition 6.1)
28. Instalment Amounts: Not Applicable  
(Condition 6.1)
29. Optional Early Redemption (Call): No  
(Condition 6.3)
30. Optional Early Redemption (Put): No  
(Condition 6.6)
31. Events of Default  
(Condition 7.1):

	(a) Early Termination Amount:	Not Applicable
	(b) Any additional (or modifications to) Events of Default:	None
32.	Payments: (Condition 9)	
	(a) Unmatured Coupons missing upon Early Redemption:	Not Applicable
33.	Replacement of Instruments: (Condition 12)	Not Applicable
34.	Notices: (Condition 14)	Notices in relation to the Instruments will be given through the Monte Titoli S.p.A. system as well as on the web page of the Luxembourg Stock Exchange ( <a href="http://www.bourse.lu">www.bourse.lu</a> )
35.	Listing:	Luxembourg

## **DISTRIBUTION**

36.	Selling Restrictions:	
		Not Applicable
	Other:	None
37.	Stabilising Manager(s):	Not Applicable
38.	If syndicated, names of Managers:	Société Générale, The Royal Bank of Scotland plc and UBS Limited
39.	If non-syndicated, name of Dealer:	Not Applicable
40.	ISIN:	IT0003685093
41.	Common Code:	019605779
42.	New Global Note intended to be held in a manner which would allow Eurosystem eligibility:	Not Applicable
43.	Common Depositary:	Not Applicable
44.	Any Clearing System other than Euroclear and Clearstream,	Monte Titoli S.p.A.



Luxembourg:

45. Settlement Procedures: Delivery free of payment
46. Other Relevant Terms and Conditions: None

### **LISTING APPLICATION**

These are the Final Terms required to list the issue of Instruments pursuant to the U.S. \$56,000,000,000 Debt Issuance Programme of The Republic of Italy.

### **RESPONSIBILITY**

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

### **CONFIRMED**

### **REPUBLIC OF ITALY**

By: .....  
*Authorised Signatory*

Date: .....