

**SUPPLEMENT NUMBER 2 DATED 10 AUGUST 2017 TO THE BASE PROSPECTUS
DATED 20 JUNE 2017**



BANCA POPOLARE DELL'ALTO ADIGE VOLKSBANK S.p.A.

(incorporated with limited liability as a società per azioni under the laws of the Republic of Italy)

EUR 1,000,000,000

Euro Medium Term Note Programme

This Supplement (the "**Supplement**") is supplemental to, forms part of and must be read and construed in conjunction with, the base prospectus dated 20 June 2017, as supplemented by supplement number 1 dated 14 July 2017 (the "**Base Prospectus**") prepared by Banca Popolare dell'Alto Adige Volksbank S.p.A. (the "**Issuer**") in connection with its Euro Medium Term Note Programme (the "**Programme**") for the issuance of up to EUR 1,000,000,000 in aggregate principal amount of notes ("**Notes**"). Terms given a defined meaning in the Base Prospectus shall, unless the context otherwise requires, have the same meaning when used in this Supplement.

This Supplement has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the "**CSSF**"), which is the Luxembourg competent authority for the purpose of Directive 2003/71/EC (the "**Prospectus Directive**") and relevant implementing measures in Luxembourg, as a base prospectus supplement issued in compliance with Article 16 of the Prospectus Directive and relevant implementing measures in Luxembourg, including Article 13.1 of Chapter 1 of Part II of the the *Loi relative aux prospectus pour valeurs mobilières* dated 10 July 2005 as amended (the "**Luxembourg Prospectus Law**").

The purpose of the publication of this Supplement is to update the information contained in the Base Prospectus, in particular as regards disclosure in relation to the risk factor entitled "*Evolving regulatory environment*", and to incorporate by reference a press release containing certain financial information from the unaudited half-yearly financial statements of the Issuer as at and for the six months ended 30 June 2017.

The Issuer accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Base Prospectus by this Supplement and (b) any other statement in, or incorporated by reference into, the Base Prospectus, the statements in (a) above will prevail.

Save as disclosed in this Supplement, no significant new fact, material mistake or inaccuracy relating to the information included in the Base Prospectus which is capable of affecting the assessment of the Notes issued under the Programme has arisen or been noted, as the case may be, since publication of the Base Prospectus.

An investor which has agreed, prior to the date of publication of this Supplement, to purchase or subscribe for Notes issued under the Programme may withdraw its acceptance before the end of a period of two working days (being 14 August 2017) beginning on the first working day after the date on which this Supplement is published.

This Supplement may only be used for the purposes for which it has been published.

The date of this Supplement is 10 August 2017.

AMENDMENTS AND ADDITIONS TO THE BASE PROSPECTUS

With effect from the date of this Supplement the information appearing in, or incorporated by reference into, the Base Prospectus shall be amended and supplemented in the manner described below.

RISK FACTORS

- (i) In relation to the risk factor entitled "*Evolving regulatory environment*":
 - a. the penultimate paragraph on page 4 of the Base Prospectus is amended by deleting the words "13 April 2017" and replacing them with the words "13 June 2017"; and
 - b. the final paragraph on page 4 of the Base Prospectus is amended by deleting the words "30 September 2017, the Issuer will be" and replacing them with the words "30 June 2017, the Issuer is".

INFORMATION INCORPORATED BY REFERENCE

- (ii) The press release dated 7 August 2017 entitled "Volksbank: Half-yearly financial report approved with a net profit of Euro 11.1 million" (the "**H1 2017 Press Release**") relating to the unaudited half-yearly financial statements of the Issuer as at and for the six months ended 30 June 2017 is incorporated by reference in and forms part of this Supplement in its entirety and shall, by virtue of this Supplement, be deemed to be incorporated by reference in, and form part of, the Base Prospectus.

For ease of reference, the table below sets out page references for specific items of information contained in the H1 2017 Press Release:

	<i>(pdf document page numbers)</i>
Balance sheet	7
Income statement.....	8

The information incorporated by reference that is not included in the cross-reference lists above is considered as additional information and is not required by the relevant schedules of Regulation (EC) 809/2004 (as amended).

- (iii) A copy of the H1 2017 Press Release has been filed with the CSSF and is incorporated by reference in and forms part of this Supplement in its entirety.

GENERAL INFORMATION

- (iv) The sub-section of the Base Prospectus entitled "*No significant change*" on page 152 shall be deleted and replaced with the following:

No significant change

Since 30 June 2017 (being the last day of the financial period in respect of which the most recent published financial statements of the Issuer have been prepared), there has been no significant change in the financial or trading position of the Issuer.

- (v) The sub-section of the Base Prospectus entitled "*Documents on display*" on page 153 shall be amended as follows:

"

- (f) the By-laws of the Issuer;
- (g) the Fitch Press Release;
- (h) the H1 2017 Press Release; and
- (i) the most recent publicly available audited annual non-consolidated financial statements of the Issuer beginning with such financial statements as at and for the years ended 31 December 2016 and 2015."

** *** **

Copies of this Supplement and the H1 2017 Press Release incorporated by reference in this Supplement can be obtained, without charge, at the specified office of the Fiscal Agent (see page 153 of the Base Prospectus) and are also available on the website of the Luxembourg Stock Exchange (www.bourse.lu).