

KEY HIGHLIGHTS

Milan IF.MI



PRICE 16/05/2017
€32.96



YIELD
2.5%



MARKET CAP
€1.8bn

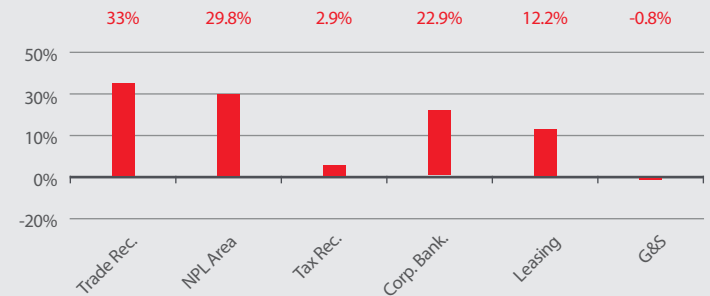
BACKGROUND

- Banca IFIS (IF.MI) is a specialty finance player, specialized in financing SME's with a complete range of financial tools, from short-term to medium/longer term finance.
- IF.MI is also a leader in the Italian NPL market and present in the tax receivables sector.
- The group has a strong and diversified business model that enables outstanding results in terms of profitability and credit quality.
- There are three key pillars for management decision-making: profitability, liquidity and solidity.
- Founded in 1983 by Sebastian Egon Furstenberg, the current chairman, Banca IFIS has been listed on the Milan Stock Exchange (Star segment) since 2003, with a market cap of close to €2bn.
- The bank acquired the Interbanca Group in 2016, an Italian bank traditionally active in corporate lending, factoring and leasing. The previous acquisition of Toscana Finanza, a company active in distressed loans, was successfully realized in 2011.
- On the funding side, the bank successfully launched Rendimax, a high-yield online savings account.

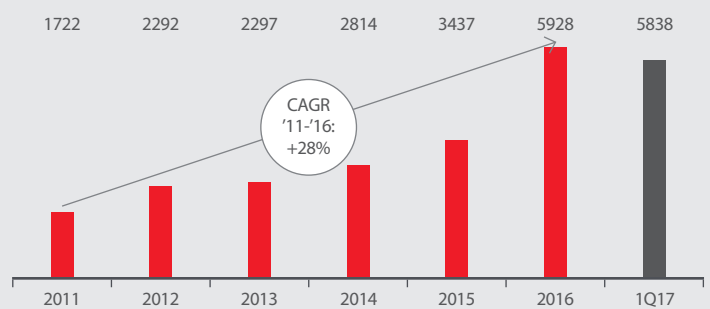
FIVE YEAR SHARE PRICE CHART - LAST PRICE



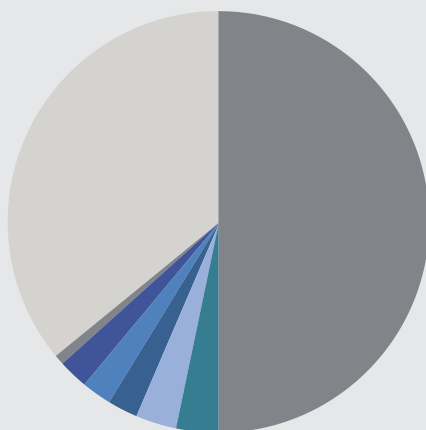
PROFIT CONTRIBUTION BY SEGMENT



TOTAL LOANS EU MN

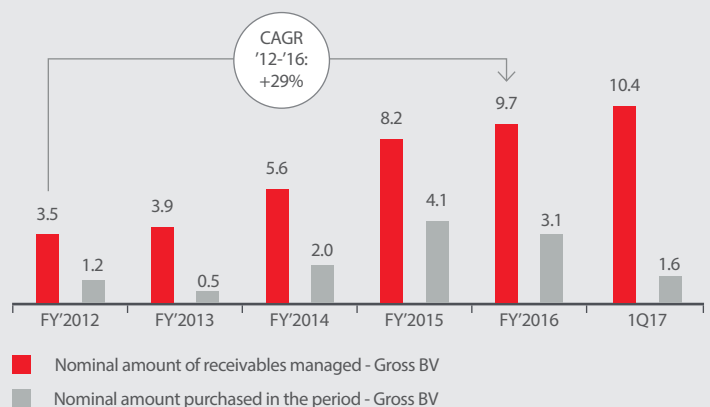


TOP SHAREHOLDERS AS OF APRIL 2017



51%	Sebastian Egon Furstenburg	2%	Marina Salomon
3%	Giovanni Bossi	2%	Wasatch Advisors
3%	Norges Bank	1%	Treasury Stock
2%	Riccardo Preve	36%	Market

BANCA IFIS - NPL MANAGED RECEIVABLES (GROSS BV) - EU BN



FUTURE OPPORTUNITIES FOR GROWTH




- Banca IFIS is well placed to continue to capitalize on the restructuring of bank balance sheets in Italy and the rest of Europe through acquisitions of NPL portfolios
- Continued organic focus on SME trade finance (micro, small and medium sized enterprises) that is less competitive and traditional banks find difficult to service
- Leveraging the acquisition of the former Interbanca Group, finalised in late November of 2016
 - Completes full range of services for SMEs
 - Acquisition brings valuable skills, size and capital to the Group

KEY FIGURES 2014 / 2015 / 2016

	2014	2015	2016	1Q17		2014	2015	2016	1Q17
Net Profit/loss for the period (Eu mn)	96	162	688	32.7	Total Assets (Eu bn)	8.3	7.0	8.7	8.9
Net loans to customers (LTC/Eu bn)	2.8	3.4	5.9	5.8	Tot. Funds and deposits (Eu bn)	~7.7	~6.2	~7.0	7.2
AFS+HTM (Eu bn)	~5.1	~3.2	~0.4	~0.6	Net equity (Eu mn)	438	573	1,219	1,254
Tier 1 Ratio*	14.0%	15.8%	15.7%	15.4%	NPL ratio (trade receivables)	1.3%	1.1%	1.0%	1.1%
RWA (Eu bn)	~2.8	~3.3	~7.0	7.2	NPL Coverage ratio (trade receivables)	86.4%	87.9%	88.5%	88.5%

*Banca IFIS Group data only

2016 ACQUISITION OF INTERBANCA S.P.A

<p>Scope of the Acquisition</p> 	Acquisition of 99.99% of Interbanca S.p.A (Lending) and its Factoring and Leasing (financial & operational) business
<p>Rationale</p> 	Opportunity to leverage platform through new products, clients and greater efficiency of cost structure and capital
<p>Purchase Price</p> 	Purchase price is equal to Eu 160 mn in cash, subject to price adjustment mechanism between 31/12/2015 and closing

BANCA IFIS 3 YEAR PLAN

Banca IFIS Group	2016	Target 2019	CAGR
NBI € mln	381.2	770	24-26%
Cost/Income	62.0%	<50%	
Cost of risk	79bp	ca100bp	
ROE		>15%	
Total Capital	15.7%	17-18%	
EPS adj	€1.69	>€4.5	
BVPS	€22.81	>€30	

ACQUISITION HIGHLIGHTS

Less profitable positions to be run-off

Implementation of a selective approach to small and medium-sized companies in lending

New speciality-finance opportunities in niche areas (e.g. restructuring)

Cross-selling opportunities within both the customer base of Banca IFIS and of Interbanca Group in order to significantly improve current customer development and retentions

Active management of non-performing corporate assets

Rationalization and simplification of the target operating model

Cost synergies by leveraging the target HR structure to support the new Group's expected growth