PRESS RELEASE

Banca IFIS's Board of Directors has approved the 2014 results made public on 20 January
A dividend of 0,66 Euro per share has been proposed

C.E.O. Giovanni Bossi:
"A higher dividend than 2013's; our commitment to shareholders has been respected"

Mestre, 18 February 2015 –Banca IFIS's Board of Directors has approved the draft Annual report for 2014 today, confirming the financial results and outlook that were presented to the market in the voluntary disclosure of January 20th (a summary is attached below). The full versions of the 2014 Annual report and the relative press release are available at the official website www.bancaifis.com[1]

The Board of Directors' Meeting has also appointed the President, Sebastien von Fürstenberg, to formally call the Shareholders' Annual General Meeting to approve the Annual report for 2 April 2015. In addition, this meeting proposed a shareholders' dividend of 0,66 Euro per share.

"The Bank had declared its commitment to maintain a pay-out ratio of not less than that of 2013, with a dividend increase proportional to net profit" stated **Giovanni Bossi**, Banca IFIS's C.E.O.. "We successfully followed this guideline as the dividend proposed is almost 10 cents higher than 2013's which was already a multi-utility dividend. This – added Mr. Bossi – is a sign of solidity in the Group - a Group which posted excellent results for the year 2014, recording significant growth in all its core sectors and boasting excellent solvency ratios too".

As for the dividend proposal, Banca IFIS S.p.A.'s Board of Directors resolved to make the following earnings distribution proposal to the Shareholders' Meeting:

1. Distribution of a 0,66 Euro cash dividend per share (gross of taxes) for every ordinary share subsequent to detachment of coupon no. 18 on 13 April 2015 (*). This dividend includes the portion attributable to the company's treasury shares at the same date;
2. Payment of the dividend from 15 April 2015 through the authorised intermediaries with whom the shares are registered in the Monte Titoli system.

(*) Pursuant to Article 83-terdecies of Leg. Decree no. 58 of 24 February 1998 (the Consolidated Law on Finance), the legitimate payment of dividends is determined according to the shareholders present on the intermediary's list of shareholders as per article 83-quater, paragraph 3 of the Consolidated Law on Finance, at the end of the trading day of 14 April 2015 (so-called record date).

[1] Press release: http://www.bancaifis.com/Media-room/Press-releases/Banca-IFIS-in-2014-loans-consistently-growing-strong-recovery-in-NPL-ratios; Financial statements: http://www.bancaifis.com/Institutional-investors/Financial-statements-and-reports; Interactive preliminary annual report website: http://bilancio.bancaifis.it/en#start

Financial highlights
Full year 2014
(1 January-31 December)

- Net banking income: 280,9 million Euro (+6,3%)
- Net profit from financial activities: 249,6 million Euro (+13,7%)
- Profit for the period: 95,9 million Euro (+13,0%)
- Cost of credit quality: 145 bps (244 bps at 31 December 2013)
- Bad-loan ratio in the trade receivables segment improving further: down to 1,3% in December 2014 from 2,6% in December 2013
- Bad loan coverage ratio: up to 86,4% in September 2014 from 78,4% in December 2013
- Total net impaired loans in the trade receivables segment sharply down compared to 2013: 112,6 million Euro (-30,7%)
- Hiring up: 125 new employees joined the Group (+20%)
- ROE: 23,5% (24,8% in 2013)
- Constant improvement of Total Own Capital Funds Ratio: 14,2% (13,5% in 2013)

Outlook

The Group's prospects for 2015 are positive, despite the macro-economic context in which it does business being highly uncertain in terms of how long it will take to start seeing signs of a recovery that may be defined as the “new normal”.

On the economic front, expectations are still decidedly negative. It will be several quarters before GDP will return to growth; inflation is forecasted to be close to zero or even below, significantly lower than general expectations and the European Central Bank's target, even if this result is significantly influenced by the fall in raw material prices, chief among them oil; unemployment, especially among the young and in Italy's South, still prevents consumer spending from recovering.

As for the European monetary policy, after recent actions taken to reduce the cost of money for the banks operating in the Eurosystem, the ECB seems keen to intervene in the market much more actively: the impact in terms of availability of lending to the real economy and the costs/returns of debt and assets remain to be seen. Imbalances in the Eurozone continue to exist requiring stronger price changes, particularly in Northern countries to counter them.

This scenario is not likely to happen for political reasons, with more radical reforms in Europe's South being required. However, within this context, supply-side policies may not be sufficient, if they are not supported by demand-side measures. Furthermore, the EU common policy appears unlikely to generate positive systemic solutions. The challenges that some Euro area countries – chief among them Greece – will face are only partly mitigated by the low interest rates on public debts.

Amid this already complicated scenario came the oil price drop. On the one hand, it is good news for an energy importer such as Italy; on the other hand, it is having a one-off impact on energy prices, increasing the risk of deflation.

The Bank can count on sustainable margins thanks to the soundness and flexibility of its business model.

Given that it appears impossible to leave the crisis behind without restarting the flow of credit to the economy, our lending to businesses may be positively influenced by the opportunities to acquire new customers and new loans. A key factor is the protracted scarce availability of lending to businesses. This is attributable both to non-specialist banks' use of conventional credit instruments in supporting businesses and to lenders' focus on improving equity ratios, aimed at reducing risks or at least the capital absorption of loans of players with lower credit ratings. The performance will in any case depend on the trend in credit quality, a key variable for the banking market in challenging economic times. Should the excellent signs registered by the Bank in this sense be confirmed once again, it would bolster the Group's operations as far as lending to SMEs is concerned which would prompt the Bank to step up its efforts and would also positively impact returns on loans net of credit costs.

As far as the *DRL* sector is concerned, the Bank will continue to pay attention to the several portfolios of receivables due from households that originators will place on the market. The outcome of bids will also be influenced by the attention paid by international operators to offers and prices.

The Bank will relentlessly continue to buy the portfolios offered by the sellers in all segments, adopting also innovative direct approaches to intervene faster. The life cycle of managed receivables portfolios covers a particularly long period of time, allowing the Bank to create value for all stakeholders involved in the business unit, according to times to returns. This requires proactively and dynamically managing the various portfolios based on the opportunities present on the market.

Concerning the management of non-performing loans, the sale in the fourth quarter of 2014 of the sizeable portfolio of bills of exchange, resulting from approaches that are gradually being discontinued, should mark a change that will allow the bank to better focus its operations. The focus on debt sustainability, the possibility of extending debtors' payments terms, and establishing a constant dialogue at low costs will most likely be crucial to boost the turnover and profitability of this business area, which operates in a social segment that has been badly hit by the crisis. In this segment, the introduction of new collection and management instruments and the necessarily conservative accounting of expected cash flows temporarily influenced the business area’s results. The expected acceleration remains influenced by the continuation of negative trends and by any difficulties arising from the implementation of the new collection methods, through which the Bank can often sharply improve the quality of its portfolios, with long-term effects, following particularly strict margin recognition policies.

As for the *Tax Receivables* segment, which is strongly dependent on payment times by the Italian Treasury, the Bank is very actively acquiring often sizeable positions, given the good medium-term profitability of these investments.

The Group will continue to develop its two brands, *Credi Impresa Futuro* and *CrediFamiglia*, dedicated to financing companies operating in the domestic market and ensuring households settle their financial debts, respectively. Both brands will grow further thanks to their increasingly sophisticated web presence and, especially in the case of Credi Impresa Futuro, the fast ways to communicate with customers developed.

As for *retail funding*, the reduction in interest rates paid to customers due to market changes caused a further significant fall in the average cost of funding, and will continue to do so going forward, also as a result of term deposits with high interest rates coming to maturity. Funding is in light and monitored decrease, compared to the very high opening levels, and retail funding shall not increase further in order to prevent economic imbalances deemed unnecessary in the current scenario.

The current trends in market rates have made it no longer profitable for the Bank to continue with the purchase of *government bonds*, which ended at the end of 2013. The portfolio will continue to shrink over time as the bonds mature. Presumably, refinancing operations will continue with funding costs hovering around zero.

Finally, the Bank will continue to look for new opportunities on the market.

In light of the above, the Group can reasonably expect to remain profitable also in 2015.

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Consolidated statement of financial position

ASSETS (in thousands of Euro)		AMOUNTS AT		CHANGE	
		31.12.2014	31.12.2013	ABSOLUTE	%
10	Cash and cash equivalents	24	30	(6)	(20,0)%
20	Financial assets held for trading	-	10	(10)	(100,0)%
40	Available for sale financial assets	243.325	2.529.179	(2.285.854)	(90,4)%
50	Held to maturity financial assets	4.827.363	5.818.019	(990.656)	(17,0)%
60	Due from banks	274.858	415.817	(140.959)	(33,9)%
70	Loans to customers	2.814.330	2.296.933	517.397	22,5%
120	Property, plant and equipment	50.682	40.739	9.943	24,4%
130	Intangible assets	6.556	6.361	195	3,1%
	of which:				
	- goodwill	*819*	*837*	*(18)*	*(2,2)%*
140	Tax assets	40.314	37.922	2.392	6,3%
	a) current	1.972	3.940	(1.968)	(49,9)%
	b) deferred	38.342	33.982	4.360	12,8%
160	Other assets	51.842	192.787	(140.945)	(73,1)%
	Total assets	**8.309.294**	**11.337.797**	**(3.028.503)**	**(26,7)%**

LIABILITIES AND EQUITY (in thousands of Euro)		AMOUNTS AT		CHANGE	
		31.12.2014	31.12.2013	ABSOLUTE	%
10	Due to banks	2.258.967	6.665.847	(4.406.880)	(66,1)%
20	Due to customers	5.483.474	4.178.276	1.305.198	31,2%
40	Financial liabilities held for trading	-	130	(130)	(100,0)%
80	Tax liabilities	14.338	17.362	(3.024)	(17,4)%
	a) current	70	1.022	(952)	(93,2)%
	b) deferred	14.268	16.340	(2.072)	(12,7)%
100	Other liabilities	111.059	93.844	17.215	18,3%
110	Post-employment benefits	1.618	1.482	136	9,2%
120	Provisions for risks and charges	1.988	533	1.455	273,0%
	b) other reserves	1.988	533	1.455	273,0%
140	Valuation reserves	(109)	10.959	(11.068)	(101,0)%
170	Reserves	237.874	163.055	74.819	45,9%
180	Share premiums	57.113	75.560	(18.447)	(24,4)%
190	Share capital	53.811	53.811	-	0,0%
200	Treasury shares (-)	(6.715)	(7.903)	1.188	(15,0)%
220	Profit (loss) for the year (+/-)	95.876	84.841	11.035	13,0%
	Total liabilities and equity	**8.309.294**	**11.337.797**	**(3.028.503)**	**(26,7)%**

Consolidated income statement

ITEMS (in thousands of Euro)		YEAR		CHANGE	
		2014	2013	ABSOLUTE	%
10	Interest receivable and similar income	311.727	345.759	(34.032)	(9,8)%
20	Interest due and similar expenses	(93.263)	(139.015)	45.752	(32,9)%
30	**Net interest income**	**218.464**	**206.744**	**11.720**	**5,7%**
40	Commission income	64.827	63.348	1.479	2,3%
50	Commission expense	(6.475)	(6.184)	(291)	4,7%
60	**Net commission income**	**58.352**	**57.164**	**1.188**	**2,1%**
70	Dividends and similar income	-	84	(84)	(100,0)%
80	Net profit (loss) from trading	302	193	109	56,5%
100	Profit (loss) from sale or buyback of:	3.812	11	3.801	n.s.
	a) receivables	3.581	-	3.581	n.a.
	b) available for sale financial assets	231	11	220	n.s.
120	**Net banking income**	**280.930**	**264.196**	**16.734**	**6,3%**
130	Net impairment losses/reversal on	(31.299)	(44.587)	13.288	(29,8)%
	a) receivables	(31.299)	(44.528)	13.229	(29,7)%
	b) available for sale financial assets	-	(59)	59	(100,0)%
140	**Net profit from financial activities**	**249.631**	**219.609**	**30.022**	**13,7%**
180	Administrative expenses:	(101.872)	(76.116)	(25.756)	33,8%
	a) personnel expenses	(42.553)	(37.094)	(5.459)	14,7%
	b) other administrative expenses	(59.319)	(39.022)	(20.297)	52,0%
190	Net allocations to provisions for risks and charges	(1.613)	(215)	(1.398)	650,2%
200	Net impairment losses/reversal on plant, property and equipment	(1.396)	(1.213)	(183)	15,1%
210	Net impairment losses/reversal on intangible assets	(1.843)	(1.791)	(52)	2,9%
220	Other operating income (expenses)	2.036	2.987	(951)	(31,8)%
230	**Operating costs**	**(104.688)**	**(76.348)**	**(28.340)**	**37,1%**
280	**Pre-tax profit (loss) for the year from continuing operations**	**144.943**	**143.261**	**1.682**	**1,2%**
290	Income taxes for the year relating to current operations	(49.067)	(58.420)	9.353	(16,0)%
340	**Profit (loss) for the year attributable to the parent company**	**95.876**	**84.841**	**11.035**	**13,0%**

Consolidated income statement: fourth quarter

	ITEMS (in thousands of Euro)	4th QUARTER		CHANGE	
		2014	2013 (1)	ABSOLUTE	%
10	Interest receivable and similar income	68.121	86.075	(17.954)	(20,9)%
20	Interest due and similar expenses	(16.439)	(30.319)	13.880	(45,8)%
30	**Net interest income**	**51.682**	**55.756**	**(4.074)**	**(7,3)%**
40	Commission income	16.025	16.023	2	0,0%
50	Commission expense	(1.255)	(1.626)	371	(22,8)%
60	**Net commission income**	**14.770**	**14.397**	**373**	**2,6%**
80	Net profit (loss) from trading	131	(96)	227	(236,5)%
100	Profit (loss) from sale or buyback of:	3.581	-	3.581	n.a.
	a) receivables	3.581	-	3.581	n.a.
120	**Net banking income**	**70.164**	**70.057**	**107**	**0,2%**
130	Net impairment losses/reversal on	(1.645)	(10.023)	8.378	(83,6)%
	a) receivables	(1.645)	(10.023)	8.378	(83,6)%
140	**Net profit from financial activities**	**68.519**	**60.034**	**8.485**	**14,1%**
180	Administrative expenses:	(35.034)	(20.881)	(14.153)	67,8%
	a) personnel expenses	(11.025)	(9.858)	(1.167)	11,8%
	b) other administrative expenses	(24.009)	(11.023)	(12.986)	117,8%
190	Net allocations to provisions for risks and charges	489	(202)	691	(342,1)%
200	Net impairment losses/reversal on plant, property and equipment	(376)	(365)	(11)	3,0%
210	Net impairment losses/reversal on intangible assets	(490)	(567)	77	(13,6)%
220	Other operating income (expenses)	408	619	(211)	(34,1)%
230	**Operating costs**	**(35.003)**	**(21.396)**	**(13.607)**	**63,6%**
280	**Pre-tax profit (loss) for the year from continuing operations**	**33.516**	**38.638**	**(5.122)**	**(13,3)%**
290	Income taxes for the year relating to current operations	(11.828)	(20.907)	9.079	(43,4)%
340	**Profit (loss) for the year attributable to the parent company**	**21.688**	**17.731**	**3.957**	**22,3%**

Reclassified consolidated income statement: quarterly evolution

RECLASSIFIED CONSOLIDATED INCOME STATEMENT: QUARTERLY EVOLUTION (in thousands of Euro)	YEAR 2014			
	4th Q.	3th Q.	2nd Q.	1st Q.
Net interest income	**51.682**	**53.167**	**58.723**	**54.892**
Net commission income	**14.770**	**14.593**	**14.865**	**14.124**
Net result from trading	131	16	50	105
Profit (loss) from sale or buyback of:	3.581	-	-	-
Receivables	3.581	-	-	-
Available for sale financial assets	-	-	-	231
Net banking income	**70.164**	**67.776**	**73.638**	**69.352**
Net value adjustments/revaluations due to impairment of:	(1.645)	(8.486)	(12.786)	(8.382)
Receivables	(1.645)	(8.486)	(12.786)	(8.382)
Net profit from financial activities	**68.519**	**59.290**	**60.852**	**60.970**
Personnel expenses	(11.025)	(10.310)	(10.884)	(10.334)
Other administrative expenses	(24.009)	(11.977)	(11.902)	(11.431)
Net allocations to provisions for risks and charges	489	(463)	79	(1.718)
Net value adjustments to property, plant and equipment and intangible assets	(866)	(833)	(792)	(748)
Other operating income (expenses)	408	538	141	949
Operating costs	**(35.003)**	**(23.045)**	**(23.358)**	**(23.282)**
Pre-tax profit (loss) for the year from continuing operations	**33.516**	**36.245**	**37.494**	**37.688**
Income taxes for the year relating to current operations	(11.828)	(12.112)	(12.115)	(13.012)
Profit (loss) for the year attributable to the parent company	**21.688**	**24.133**	**25.379**	**24.676**

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EQUITY: BREAKDOWN (in thousands of Euro)	AMOUNTS AT		CHANGE	
	31.12.2014	31.12.2013	ABSOLUTE	%
Capital	53.811	53.811	-	*0,0%*
Share premiums	57.113	75.560	(18.447)	*(24,4)%*
Valuation reserve:	(109)	10.959	(11.068)	*(101,0)%*
- AFS securities	*5.969*	*15.980*	*(10.011)*	*(62,6)%*
- TFR post-employment benefit	*(262)*	*(76)*	*(186)*	*244,7%*
- exchange differences	*(5.816)*	*(4.945)*	*(871)*	*17,6%*
Reserves	237.874	163.055	74.819	*45,9%*
Treasury shares	(6.715)	(7.903)	1.188	*(15,0)%*
Profit for the year	95.876	84.841	11.035	*13,0%*
Equity	**437.850**	**380.323**	**57.527**	**15,1%**

OWN FUNDS AND CAPITAL RATIOS (in thousands of Euro)	AMOUNTS AT		
	31.12.2014 (1)	31.12.2014 (2)	31.12.2013 (3)
Common equity Tier 1 Capital (CET1) (4)	387.228	390.507	332.851
Tier 1 Capital (AT)	389.778	390.507	332.851
Total own funds	**396.202**	**390.627**	**328.131**
Total RWA	**2.789.103**	**2.830.990**	**2.433.597**
Common Equity Tier 1 Ratio	13,88%	13,79%	13,68%
Tier 1 Capital Ratio	13,98%	13,79%	13,68%
Total own funds Capital Ratio	**14,21**	**13,80**	**13,48%**

(1) Data recognised according to the new regulations (Basel 3), which require the inclusion of the Group holding in the consolidation scope.
(2) Data recognised according to the previous regulations (Basel 2)
(3) Data recognised according to the previous regulations (Basel 2)
(4) Common equity Tier 1 Capital includes profit for the quarter net of estimated dividends

DRL RECEIVABLES PERFORMANCE	(thousands of Euro)
Receivables portfolio at 31.12.2013	**127.945**
Purchases	56.309
Sales of receivables	(51.700)
Profit from sales	3.581
Interest income from amortised cost	26.675
Other components of net interest income from change in cash flow	3.809
Losses/Reversals of impairment losses from change in cash flow	1.441
Collections	(32.631)
Receivables portfolio at 31.12.2014	**135.429**