



3rd Q. 2009

Highlights

Strategies and Business Plan

Consolidated financial and economic data

Attachments

The current market environment: an opportunity for Banca IFIS

The difficulties for SMEs ...

- ◆ Significant increase in the credit risk of SMEs
- ◆ Widening of spread: enterprises need financing “at any cost”
- ◆ Difficulty for SMEs in finding the financial support they need from traditional banks

... and the opportunities for Banca IFIS

- ◆ Acquisition of customers and market share
- ◆ Significant increase in spread (the higher cost of funding is more than compensated by repricing in the face of clients)
- ◆ Opportunity to extend lines of business and services offered also by means of acquisitions

BANCA IFIS's corporate model and attentive risk management have allowed Banca IFIS to limit increases in credit risk

Toscana Finanza take over

- ◆ On 9 July 2009, Banca IFIS launched a **voluntary total takeover bid (the 'Bid')** on the ordinary shares of Toscana Finanza S.p.A.
- ◆ The counter value of the Bid, should it be accepted in full, will equal **38.2 million Euro**
- ◆ The purchase of the Toscana Finanza Group is **highly positive industrially** and presents **numerous synergies** with Banca IFIS's activity, as Toscana Finanza carries out its business in an anti-cyclic market, that of purchasing, managing and collecting credit of difficult collectability, particularly fiscal or financial credit, which represents, for Banca IFIS, a **natural extension to its already existing operations**
- ◆ Toscana Finanza in carrying out its activity can count on **easier access to the financial resources** necessary which will, in turn, have a positive impact on the growth and profitability levels of the whole Group
- ◆ It is expected that the operation will have **no negative impact on Banca IFIS's solvency ratio**

Operations consistent with the expansion strategy of the product range set out in Banca IFIS's 2009-2011 business plan

Particular characteristics and funding

◆ Particular characteristics of Banca IFIS

- Total absence of toxic asset and/or high volatility portfolios
- The securities portfolio is exclusively made up of eligible, variable rate banking bonds with two main characteristics: stabilisation and cost reduction of retail funding
- Banca IFIS is highly liquid and has an average loan duration that is shorter than the average comparable quoted company
- Banca IFIS is a reliable operator with a Tier 1 ratio of approximately 10%, without having recourse to Tremonti Bonds

◆ Actions taken to diversify funding

- Generation of assets eligible with the Eurosystem through securitisation of credit deriving from ordinary activities
- Success of the Rendimax high interest savings account which has achieved funding for over 650 million Euro, with the possibility of reducing online costs

Banca IFIS continues to operate in line with its 2009-2011 business plan

Corporate model and growth perspectives

A corporate model that guarantees high performance for a bank ...

- ◆ Focused on enterprises
- ◆ Excellent credit quality
- ◆ With loan duration shorter than the average duration for comparable quoted companies
- ◆ Solid financial position
- ◆ Light cost structure and high operating leverage
- ◆ High growth and profitability, as past history shows
- ◆ Total coverage of Italian territory
- ◆ Close relation between sales force and territorial offices

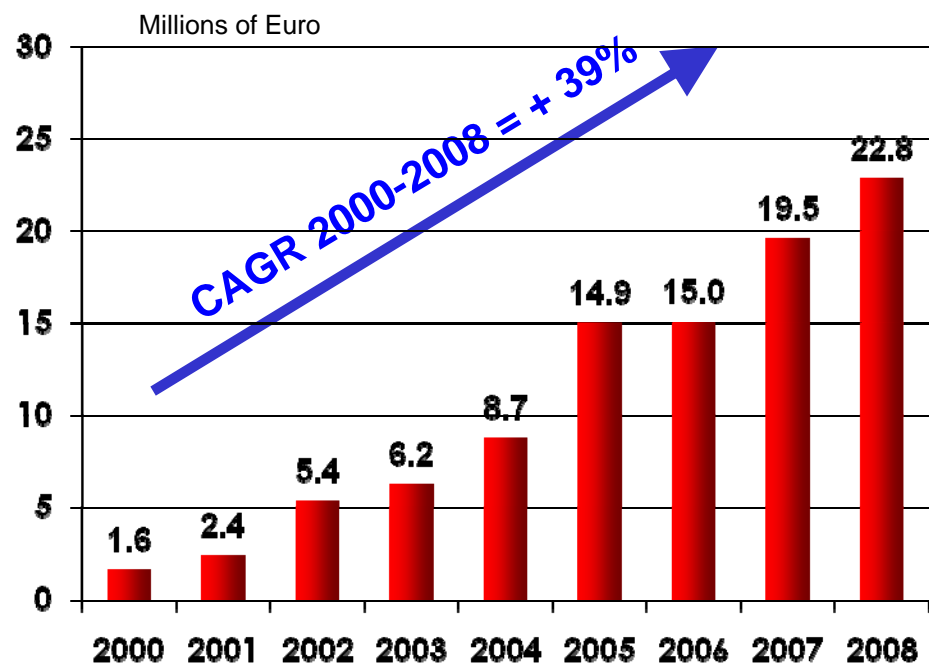


... with high growth opportunities based on...

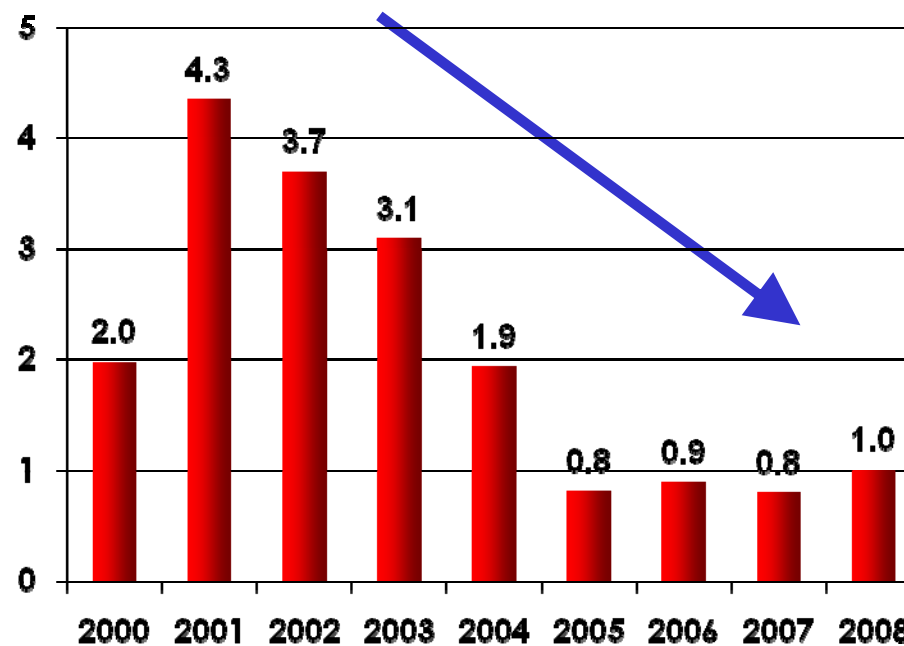
- ◆ Strong request for services from enterprises
- ◆ Low competition levels
- ◆ Excellent capital structure: tier 1 equal to 10%
- ◆ Easy access to financial resources
- ◆ Cross selling opportunities
- ◆ Strong growth through the internal sales structure
- ◆ Strong growth despite the present economic scenario
- ◆ Possible business synergies with the NPL market

High profitability and limited credit risk

Net profit



Non performing loans/Total loans %



Note: since 2002, when the company became a bank, it has adopted stricter credit policies

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The 2009 – 2011 Business Plan

The guidelines of the 2008 – 2010 business plan have been confirmed:

- ◆ Evolution of the bank's model from being a bank specialised in factoring to being a relationship-based bank satisfying the financing and service needs of SMEs
- ◆ Growth in core business by further strengthening the distribution network and by new agreements with territorial and local banks as well as banks belonging to groups without a specialist operator within the group
- ◆ Extension in the range of products offered: After the distribution of leasing, the distribution of insurance products for enterprises and entrepreneurs, as well as medium-term financial products, is presently under evaluation
- ◆ Further optimisation of the bank's funding sources: after achieving direct access to the Eurosystem, a buffer of available and immediately liquidable reserves will be set up, also in order to keep up with the growth in on line funding realised through Rendimax
- ◆ The internationalisation process has been slowed down in order to take into account the current market context in target countries

The guidelines

**“From a specialized bank to a relationship-based bank for SMEs”
capitalising on market trends**

1. Internal growth in core business

2. Internationalisation of core business

3. Extending the range of products offered

4. Expansion in funding sources

The new model

From specialised bank

- ◆ Perceived as a factoring specialist for SMEs
- ◆ Relationships with the client are necessary to conclude factoring operations and, as such, end with the operation
- ◆ Focus on the profitability of each individual operation



to a relationship-based bank

- ◆ Perceived as the answer to SMEs every financing and service need
- ◆ Relationship with the client is the most important element: clients are taken care of by a relationship manager
- ◆ Focus on profitability of overall relationship with client also through diversifying products

1. Internal growth of core business

- ◆ Reach potential clients through the reinforcement of the bank's own network
- ◆ New territorial offices: from 25 in September 2009 to 32 at the end of 2011
- ◆ In-house recruitment and selection and training of sales staff
- ◆ Agreements with banks belonging to groups without specialist operators
- ◆ Agreements with banks (cooperative banks and local banks) spread out over territory

Focus on clients with receivables due from the Public Administration: Banca IFIS is the best specialised operator to resolve problems of late payment by the Public Administration. To date, the Public Administration is counterparty to 27% of all receivables managed. Banca IFIS intends to expand further within this segment.

2. Internationalisation of core business

Lines of development: next steps

- ◆ Continue to work only with counterparties of high standing without any foreign exchange risk
- ◆ Due to worsening in the international economic situation, the opening of a factor in Romania has been postponed until 2010
- ◆ Development of operations in the Paris branch, opened at the beginning of January 2009, with high credit-standing counterparties from commercial relationships already consolidated in Italy
- ◆ Membership in Factors' Chain International as an Italian partner by excellence
- ◆ International Business represents 12% of Banca IFIS's turnover and 5% of its net banking income

Factoring, which allows and requires an asset-based approach to risk instead of concentrating on the client, continues to provide enormous room for growth in countries with medium-level industrialised and financed economies

3. Extending the range of products offered

Products/services for the new policy of cross-selling and customer retention:

- ◆ Distribution of leasing successfully launched (distribution of Centro Leasing Banca's leasing product throughout Italy)
- ◆ Kick off of the distribution of insurance products for enterprises and entrepreneurs
- ◆ Kick off of the distribution of medium/long-term credit (through distribution agreements with specialists) - an integral part of the strategic plan
- ◆ Services for enterprises as support to the active cycle (on line operations, digital signatures, electronic invoicing)

Strong demand by enterprises and the sales network for extension of the offer

4. Expansion in funding sources

Banca IFIS's financial need is very short-term:

- ◆ Average duration of loans to clients has risen to 130 days both due to the increase in average delays in payment at the due date by debtors and due to the development of the Maturity product (with payment extensions) reserved exclusively for the Public Administration and private debtors of a particularly high credit standing
- ◆ Loans to banks are on demand

Consistent with diversification of funding:

- ◆ Bilateral relationships with Italian and European banks have been further reinforced
- ◆ Direct access to the Eurosystem through the placing of securities is active
- ◆ The Rendimax savings account has reached 70% of the bank's overall funding; the range of products has been enhanced with fixed deposits

Rendimax: Banca IFIS's on line savings account

Stability of funding and consolidation of clientele:

- ◆ The best return on the market for the account holders, aside from promotional offers
- ◆ Introduction of a fixed deposit (from 1 to 12 months) at increasing rates of return

Reduction of costs:

- ◆ Since 1 August 2009, the effective gross annual rate of return on Rendimax has been 2.5%. This will allow the bank's cost of funding to be substantially reduced, maintaining the product's positioning in the highest rate of return band

Simplicity:

- ◆ The choice of simplicity in the Rendimax offer itself and in the relative publicity has proved successful. Lower advertising and management costs allows the best returns for Rendimax clients

Targets for 2011

| 2008 | | 2011 Targets |
|---|---|--|
| Turnover 3.2 billion Euro | ▶ | Turnover 5 billion Euro |
| Net banking income/turnover 2.11% | ▶ | Net banking income/turnover higher than 2% |
| Cost/Income ratio 43% | ▶ | Cost/Income ratio less than 35% |
| Net profit 22.8 million Euro | ▶ | Net profit +80% /+100% |
| Core Tier 1 at 10.6% | ▶ | Core tier 1 higher than 10% |

2011 targets are set on a constant perimeter and are based on the current economic context. Losses on credit have been forecasted to grow considerably in 2009 and then to moderately decrease percentage-wise with respect to commitments with clients

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Consolidated income statement for 3rd Q. 2008/ 3rd Q. 2009

Consolidated income statement

| <i>In thousands of Euro</i> | 3rd QUARTER | | VARIATION | |
|--|---------------|---------------|----------------|----------------|
| | 2009 | 2008 | ABSOLUTE | % |
| Net banking income | 17,142 | 17,870 | (728) | (4.1%) |
| Net impairment losses on loans and receivables | (2,738) | (1,912) | (826) | 43.2% |
| Net profit from financial activities | 14,404 | 15,958 | (1,553) | (9.7%) |
| Operating costs | (7,552) | (7,013) | (539) | 7.7% |
| Gross profit before taxes | 6,852 | 8,945 | (2,092) | (23.4%) |
| Net profit for the period | 4,540 | 6,078 | (1,537) | (25.3%) |

Financial figures: Analysis by Quarter

Profitability: Quarterly changes

| € thousands | 2009 | | | 2008 | | | |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|
| | 3 Q. | 2 Q. | 1 Q. | 4 Q. | 3 Q. | 2 Q. | 1 Q. |
| Net banking income | 17,142 | 19,143 | 17,331 | 17,416 | 17,895 | 17,375 | 14,926 |
| N° of clients | 2,558 | 2,523 | 2,391 | 2,293 | 2,134 | 2,099 | 1,987 |
| Net banking income/Turnover | 2.13% | 2.18% | 2.52% | 2.11% | 2.20% | 2.06% | 2.07% |

Client average 1H 2009 = 2,408; Client average 2H 2008 = 2,196



+ 10% circa

Average adjusted net banking income 1H 2009 = €18,237 m.

Average adjusted net banking income 2H 2008 = €17,656 m.

Note: Net banking income/turnover ratio is calculated using the adjusted net banking income

Consolidated balance sheet 2005 – 2008

Consolidated balance sheet

| € millions | PERIOD | | | |
|--------------------------|----------------|----------------|----------------|--------------|
| | 31/12/08 | 31/12/07 | 31/12/06 | 31/12/05 |
| Due from banks | 188.1 | 312.1 | 267.3 | 128.8 |
| Due from clients | 1,008.6 | 923.1 | 783.0 | 710.9 |
| Fixed assets | 37.7 | 34.7 | 31.0 | 24.3 |
| Other assets items | 106.1 | 5.5 | 11.3 | 12.7 |
| Total Assets | 1,340.5 | 1,275.3 | 1,092.6 | 876.7 |
| Due to banks | 905.2 | 1,010.4 | 836.4 | 627.0 |
| Due to clients | 157.9 | 57.8 | 82.6 | 93.9 |
| Outstanding shares | 91.4 | 36.1 | 42.7 | 35.5 |
| Net equity | 153.1 | 134.0 | 108.3 | 103.3 |
| Other liability items | 33.0 | 37.1 | 22.7 | 20.0 |
| Total Liabilities | 1,340.5 | 1,275.3 | 1,092.6 | 879.7 |

Consolidated financial figures: Funding

- ◆ Substantial stability in availability: 1,135 million Euro
- ◆ Committed medium-term lines: 65 million Euro
- ◆ Weighted average duration (on an annual basis): 53 days
- ◆ Weighted average cost of funding for 3rd Q. 2009 is 160 bps more than the average Euribor 3M recorded in the same period

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The factoring market and group positioning



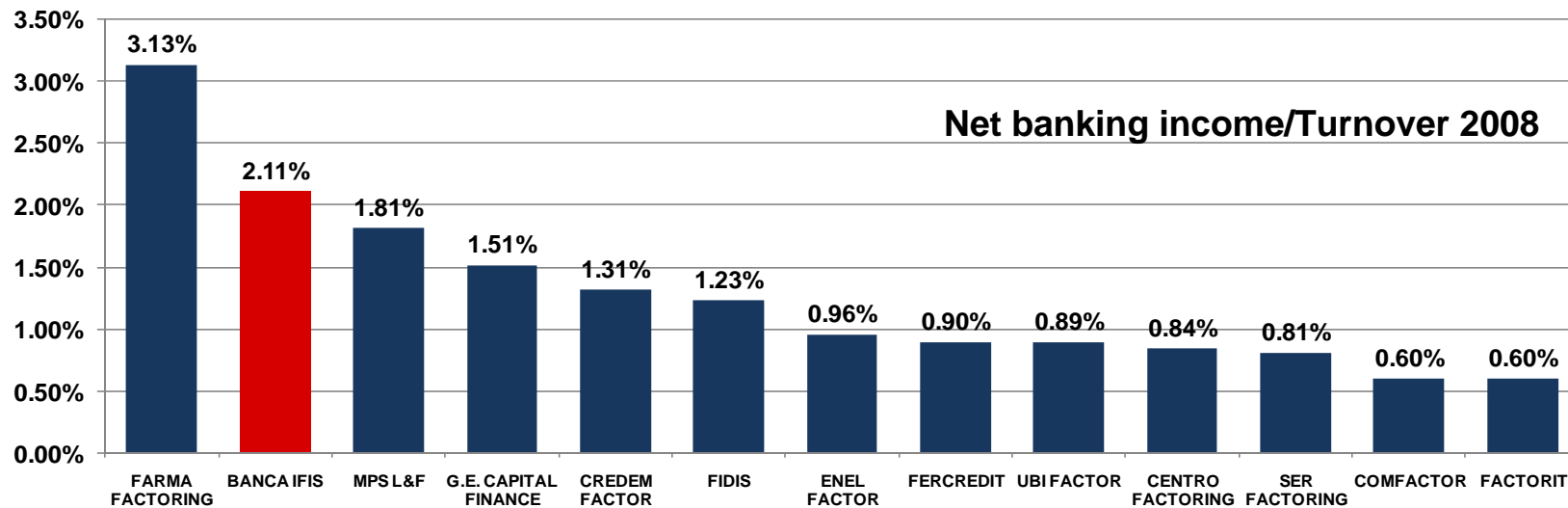
Not only factoring market

But even short-term commercial finance market

Turnover in Italian factoring market 2008 equal to about 121.9 billion Euro (source - Assifact); loan commitments equal to 24 billion Euro (Banca IFIS estimation)

+

Italian short-term commercial finance market 2008 equal to 340 billion Euro (Banca IFIS estimation based on Bank of Italy figures as at December 2008).



The factoring market and group positioning (continued)

The Italian factoring market of today is characterised by three types of operators:

**Factoring companies
belonging to banks**

- Intesa Mediofactoring
- Ifitalia - BNL Group
- Factorit – BIL Group
- MPS Leasing & Factoring
- Unicredit Factoring
- Others

Group logic

**Captive factoring
companies or specialists**

- Serfactoring – ENI Group
- Fercredit – FS Group
- ENEL Factor
- Farmafactoring
- Others

Captive logic

Independent operators



**Asset based
corporate model**

The factoring market and group positioning (continued)

Dimensional approach (Group logic)

- **The assigning enterprises** are usually of a significant size and good credit standing
- **The assigned debtors** are not necessarily of a good credit standing
- **Portfolio** of assigned receivables is of high value and often diversified and divided
- **Statistical assessment** of the portfolio
- **Advances** are granted according to the credit worthiness of the assigning supplier


Traditional operators

Profitability approach (Independent)

- **The assigning enterprises** are generally small or medium enterprises
- **The assigned debtors** must be of a good credit standing
- **Portfolio** of assigned receivables is not necessarily of high value and is often concentrated
- **Analytical assessment** of the portfolio
- **Advances** are granted according to the credit worthiness of the debtor




The sales structure

- ◆ **96 sales staff** work in the 16 branches and the 9 territorial offices that, together, constitute **the largest specialised network in Italy**. Staff remuneration is, on average, 35% linked to the achievement of the objectives predetermined by the budget.
- ◆ In 2008, agreements with brokers and local banks generated 21% and 3.3% of total Turnover respectively.

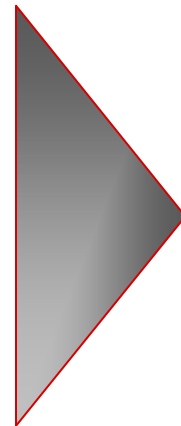
40 commercial agreements with banks

4 agreements with the “Confederazioni di Banche di Credito Cooperativo”

200 agreements with brokers and other intermediaries

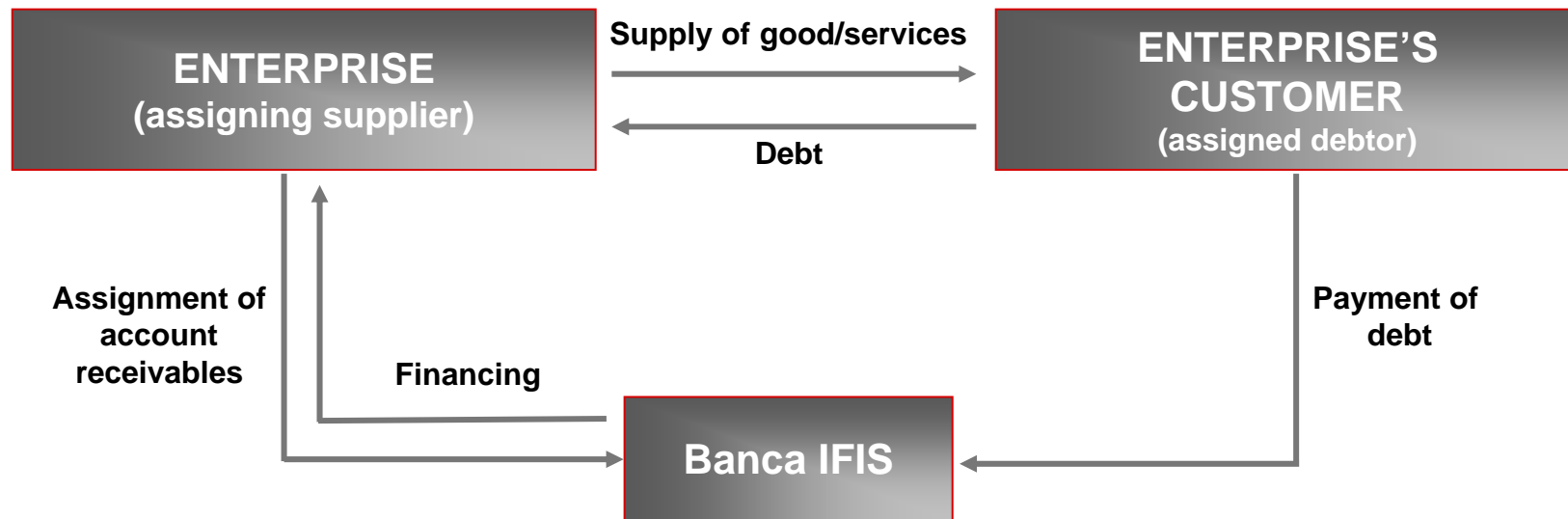
16 agreements with institutional debtors

15 agreements with trade unions



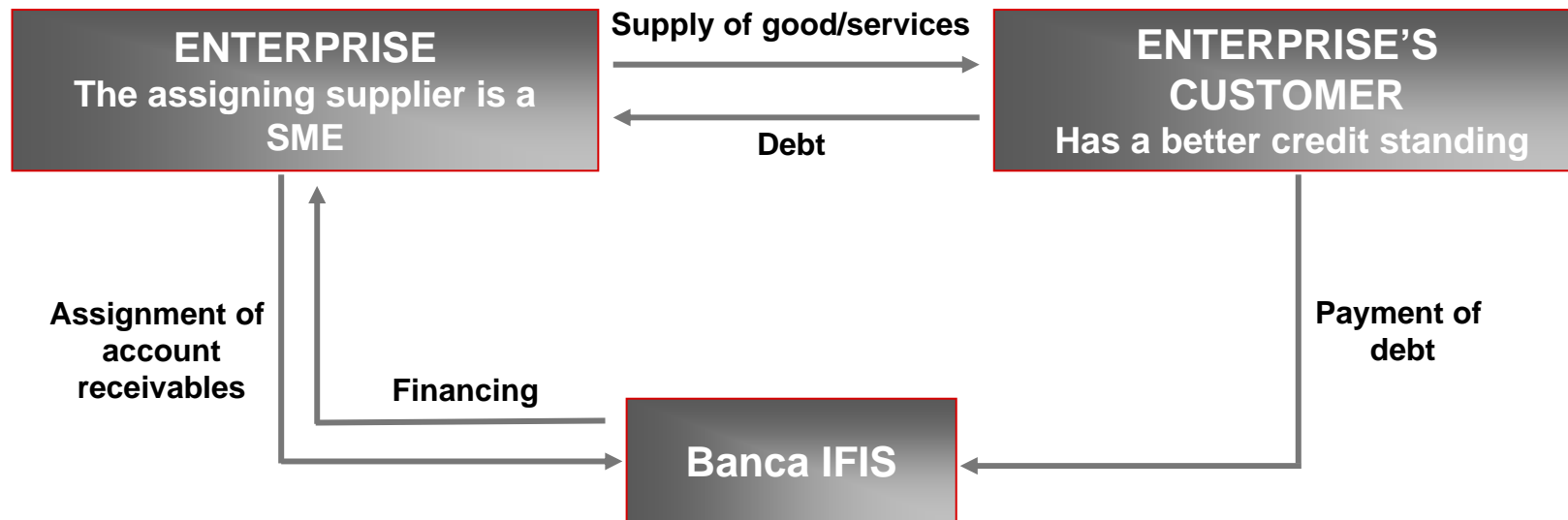
All refer to the local offices and receive 30-40% of the bank's factoring commission

What is factoring?



- ◆ The assigning enterprise can gain **quick access to credit** for its liquidity needs
- ◆ **A flexible tool** that “teaches” the enterprise to better manage its working capital

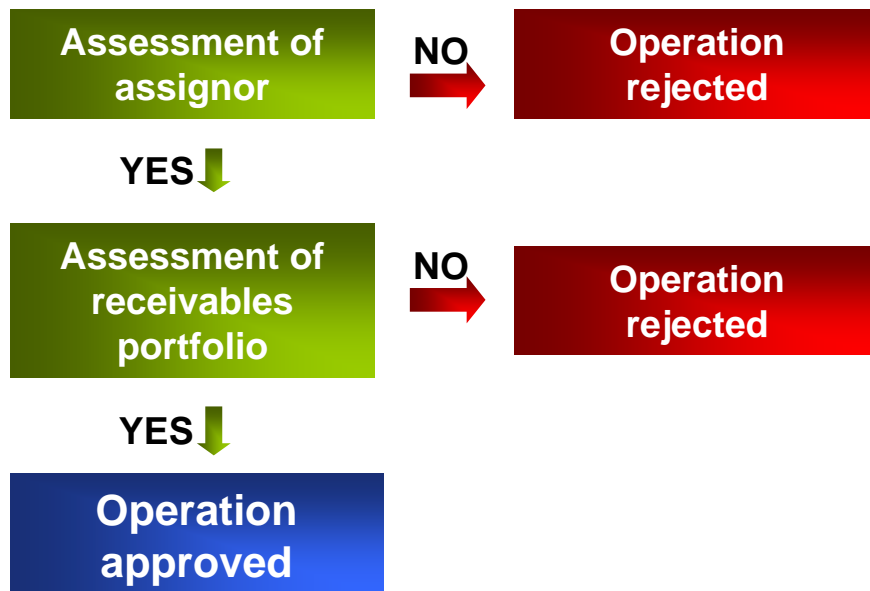
What is factoring for Banca IFIS?



- ◆ The **current economic scenario**, with higher sensitivity in terms of credit risk assessment, favours Banca IFIS's corporate model
- ◆ Banca IFIS's corporate model involves the **application of financial/economic conditions to the assigning enterprise** (SME) while transferring **the risk** to the assigned debtor company of a better credit-standing

Risk assessment in factoring: The different approaches

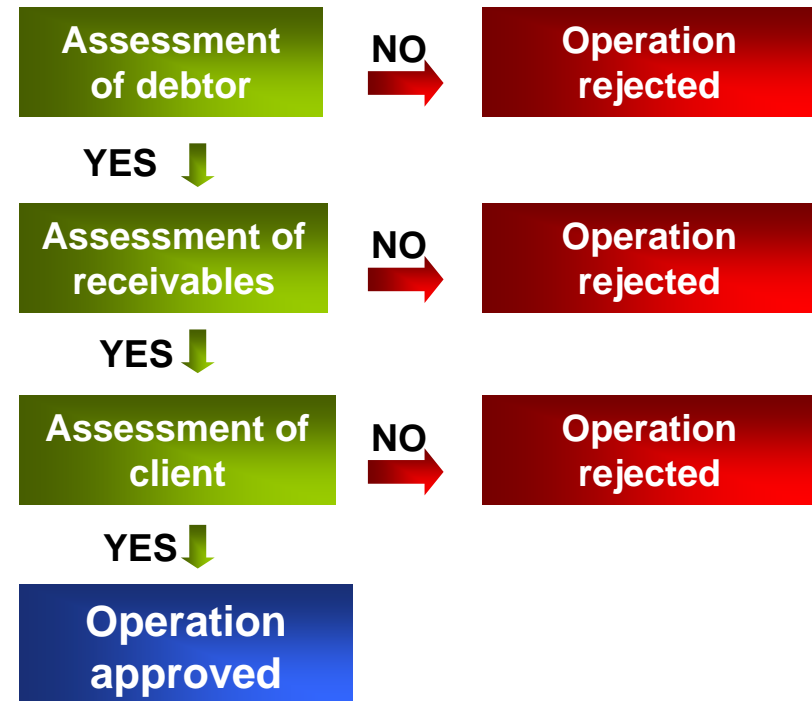
Traditional risk assessment



Focus on ASSIGNOR

Banca IFIS risk assessment

The 3 pillars of risk assessment



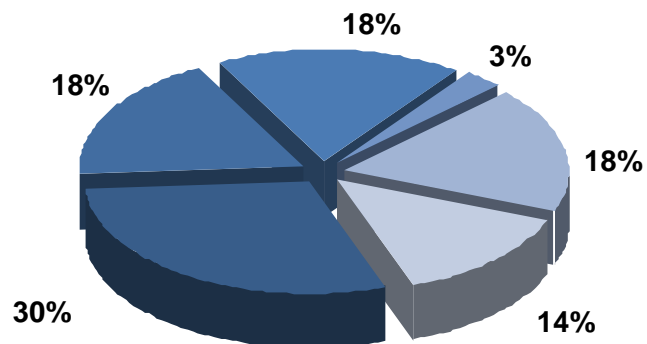
Focus on DEBTOR

Clients and debtors

Breakdown of loan commitments by clients 30/09/09

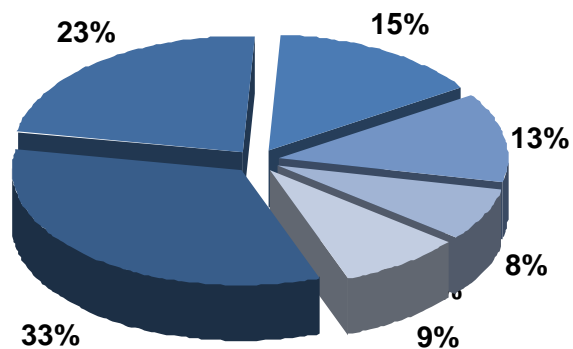
Turnover in millions of euro

■ from 0 to 5 ■ from 5 to 15 ■ from 15 a 50 ■ da 50 a 100 ■ oltre 100 ■ unclassifiable



Outstanding at 30/09/09

■ Public entities ■ Large groups ■ Excellent ■ Good ■ Medium ■ Poor



◆ The duration of factoring operations is short-term (90/120 days)

◆ The financing granted does not normally exceed 80% of the receivables purchased

◆ The transfer of risk is guaranteed even in assignments with debtors of a medium/low credit standing, in which cases the percentage of the receivables financed is lower or the service offered is credit management only

Banca IFIS milestones

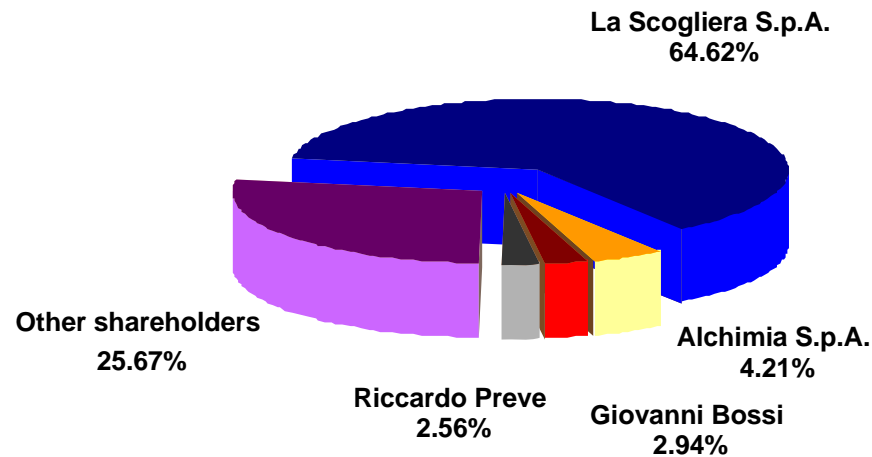
- 1983** The company, I.Fi.S. - Istituto di Finanziamento e Sconto S.p.A. -, was incorporated.
- 1989** IFIS shares received listing admission on the over-the-counter market of Milan.
- 1997** Registration in the list of financial intermediaries ex art 107 of the TULB (Consolidation Act for banks).
- 2001** Authorised to carry out banking activities as from 1st January 2002.
- 2003** Listing admission on the Mercato Telematico Azionario (telematic stock market).
- 2004** Listing admission in the STAR segment of the Italian Stock Exchange.
- 2005** Capital increase, Equity equal to 100 million Euro.
- 2006** Fitch rating agency assigns an 'investment grade' (BBB -). Internationalisation: opening of an office in Paris. Acquisition of IFIS Finance in Poland (previously known as FIDIS FACTORING POLSKA).
- 2009** At November 2009: 317 employees, 16 branches, 9 territorial offices in Italy, a branch in Paris, representative offices in Bucharest and Budapest, and IFIS Finance in Warsaw, Poland.

Stable shareholders

La Scogliera S.p.A. is controlled by Banca IFIS's President - Sebastien Egon Fürstenberg.

Giovanni Bossi, the C.E.O., has been the bank's third largest shareholder since 1995.

Shareholders



The fact that Banca IFIS's shareholder breakdown is so compact can allow for external growth in terms of possible acquisitions or similar.

This scenario is expected only in cases of:

- ◆ Industrial upgrading
- ◆ Creation of synergies
- ◆ Cross selling

Figures updated on 04 November 2009