

# **2010 results**

# **Banca IFIS**

Milan, March 2011

# Highlights

- Our track record in the last 10 years  
CAGR in Turnover\*: **23%**  
CAGR in Net Banking Income: **22%**  
CAGR in Net Profit: **23%**
  - We are the largest independent Italian Bank specialized in financing enterprises working capital and offering credit management solutions through factoring
  - We are continuing to deliver first rate result on the domestic market in net banking income/turnover ratio: **1,9%** in 2010
  - We work with a unique funding structure model among peers, flexible and cost efficient
- ROE = 10,9%
  - ROA = 1,1%
  - ROCA\*\* = 1,6%
  - CORE Tier 1= 11,5%
  - Solvency = 11,3%
  - Net banking income/turnover = 1.9%

\*Turnover=amount of trade receivables purchased

\*\*ROCA= Profit from financial activities / Core Assets (Total assets – Debt securities)

# Business model

The only independent bank specialized in offering short term financial support to enterprises.

Our credit risk is mitigated by the use of the factoring contract.

We directly manage our client's receivables and in collecting these invoices we are able to pay off our exposure with the client.

## Traditional **core** business

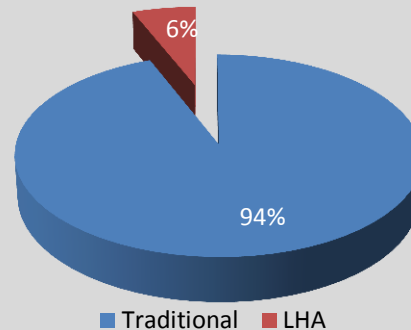
To finance working capital and to offer credit services to domestic SMEs

The arbitrage between yield and risk (from client to debtor) allow us to sustain SMEs achieving an excellent profitability

## New (2010) set up business unit

Dedicated to suppliers of the Local Health Authority

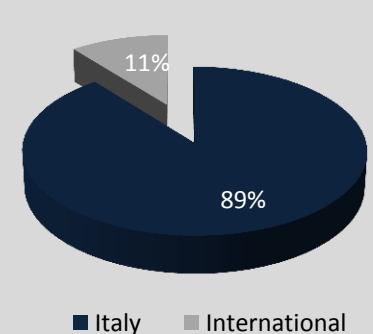
Turnover breakdown by BU



## International business

Direct presence + Network of relations which allow to develop business

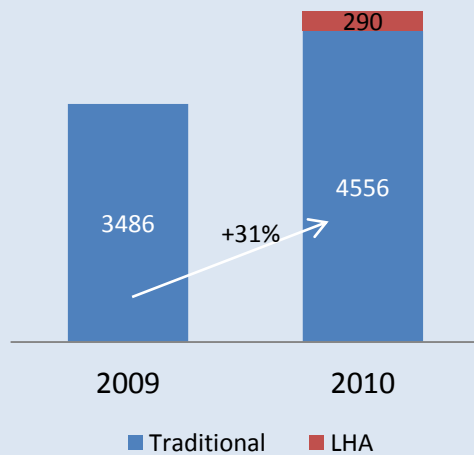
Turnover breakdown by area



# 2010 Turnover

4,8 billion Turnover  
(+39%)

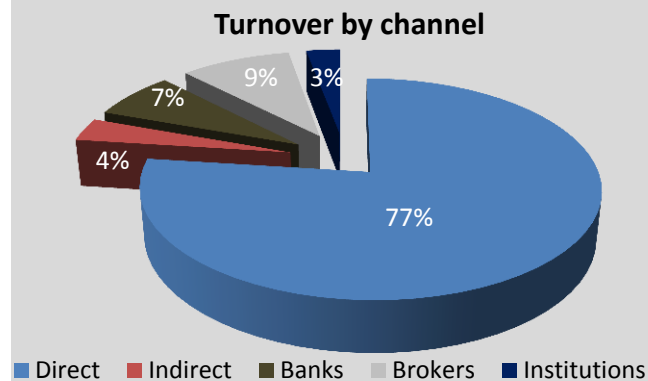
3032 active  
clients year end



## Domestic presence

The largest specialized italian network in the factoring business

- 25 branches
- 95 direct specialists who handle and develop customer relations
- A network of agreements with banks (60), BCC confederations (4), trade associations (33), brokers (10)



## International presence

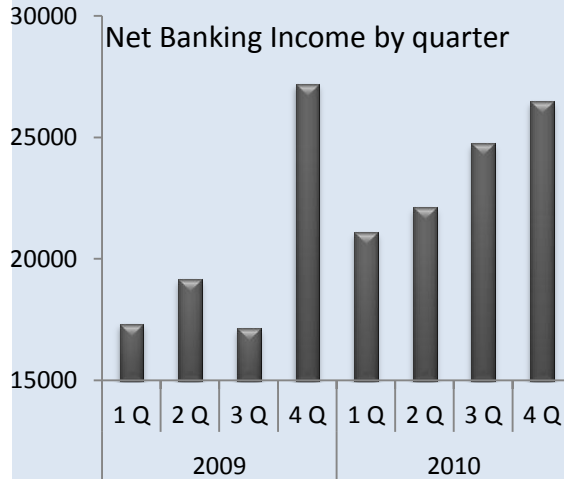
Worldwide activity is managed directly and through a network of correspondents who refer to FCI for both import and export factoring.

## International snapshot

- 1 daughter company in Poland
- 1 branch in Paris
- 2 rep. offices in Hungary and Romania
- 1 new JV in India
- 167 Interfactor Agreements signed with 56 FCI correspondents

# P&L

**94,4** million  
Net banking income  
(+16,9%)

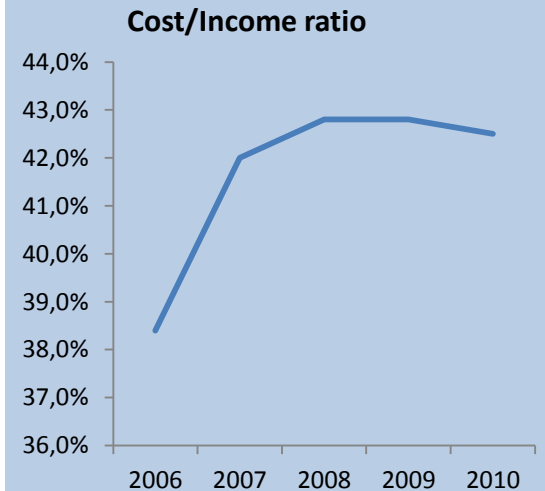


**70,0** million  
Profit from financial activities  
(+15,5%)

**24,4** million provisions on  
receivables in 2010 (20,2 in 2009)  
due to:

- worsening of credit quality in the SMEs sector due to still poor economic situation
- Banca IFIS strict assessments

**29,9** million  
Pre- tax profit  
(+15,0%)

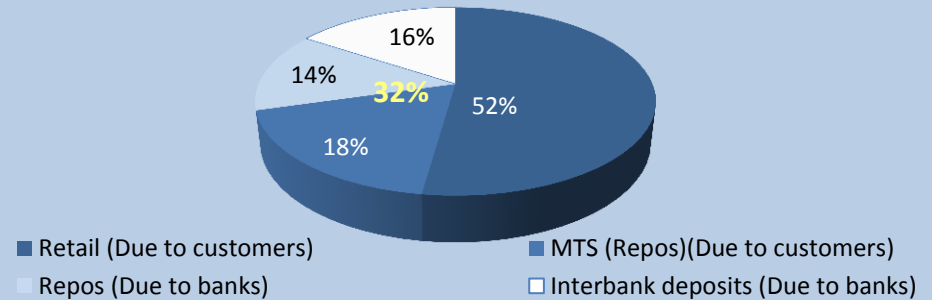


**18,6** million Net Profit for the year (+8,2%)

# Funding structure

**2,6** billion total funding  
+44.3%

Total funding breakdown



**1,33** billion Retail funding

**1,27** billion



Banca IFIS deposit account with 27,000 clients

Core loan to deposit ratio close to 1:1

Around 60% of the total amount are time deposits (50% of which over one year)

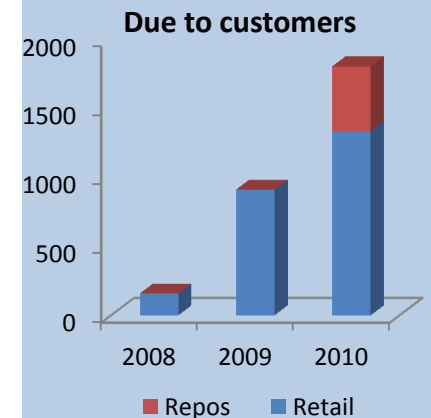
**0,75** billion Wholesale

Formerly the most important part of funding

2010: Banca IFIS treasury dept. has become independent from the interbank market

Banca IFIS activity is backed by securities in order to stabilize flows and optimize operating conditions for treasury management

**0,47** billion MTS repos

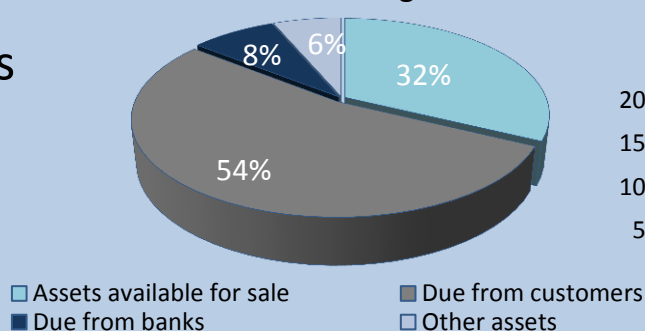


# Asset structure

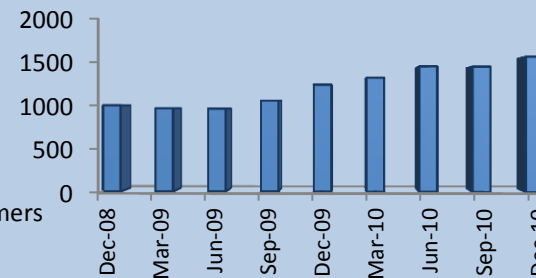
2,8 billion total assets  
+42.0%

1,6 billion total due  
from customers +26%

Main Asset Categories

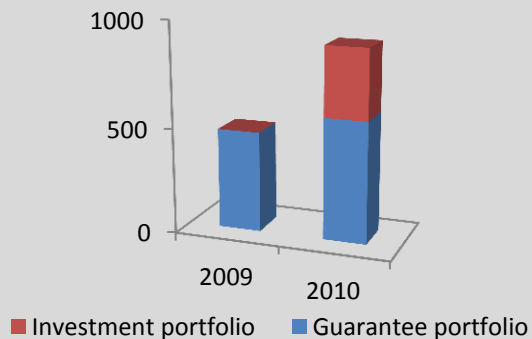


Loans to customers by quarter

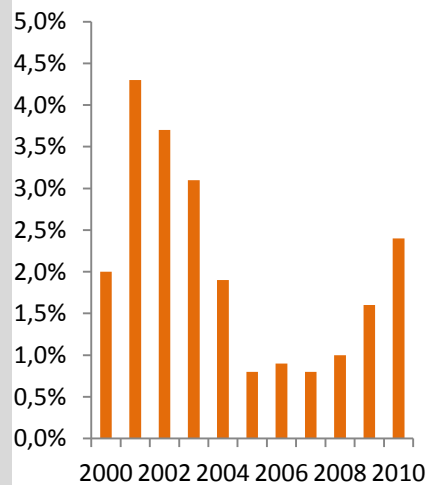


From 3Q 2009 Banca IFIS has created a portfolio of eligible assets.

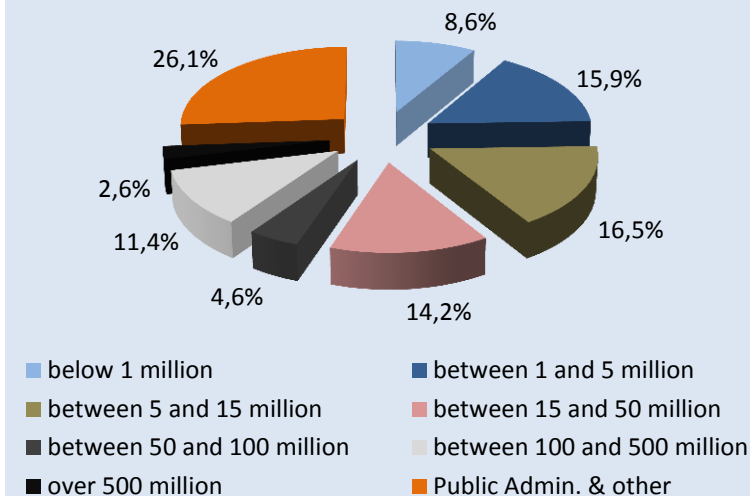
Total debt securities held



NPLs/Loans



Due to customers breakdown by dimension



# Takeover Bid for Toscana Finanza Group

Toscana Finanza is a **financial company** operating in the buying and management of fiscal and trade hard-to-collect receivables



**Voluntary takeover bid** aimed at the purchase of the entire share capital of Toscana Finanza by Banca IFIS at a price of 1,50 Euros per share. The aim of Banca IFIS is the delisting from MTA of Toscana Finanza through a merger\*

\*merger subject to Bank of Italy authorisation

**45,9** million Euros approximately of **countervalue** should the bid be fully accepted

21<sup>st</sup> of February 2011, **Bank of Italy** issued its **authorisation** to Banca IFIS to proceed with the Takeover bid



# Growth guidelines

## Traditional **core** business

To optimize organization and IT processes set up during last years

To reorganize the branch structure dividing the sales staff from credit management staff

To reinforce sales network

To enhance visibility to new potential clients

To develop existing partnerships with banks

## **New (2010) set up business unit dedicated to suppliers to the Local Health Authority**

To compete in a new market segment with low level of competition , high profitability, reduced risk

## **International business**

Polonia: reinforcement of the commercial team

Francia: organization and staff strengthening

Conscious approach to new markets, driven by political stability, economic development. Commercial exchanges

To continue to grow improving capital management.