

BANCA IFIS



BANCA IFIS GROUP
2017 PRELIMINARY RESULTS

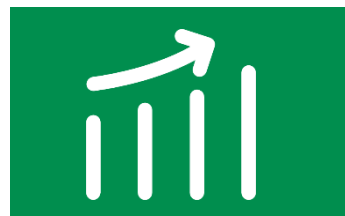
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HIGHLIGHTS

(Million Euro)

FY2017 preliminary



Profitability

180,8

Net profit

ROE

13,9%



Solidity

1.368,7

Equity

CET1

15,64%



Liquidity

7.725,2

Funding

7.037,7*

FY2016 restated*: data adjusted for the final price paid for Interbanca Group acquisition



2016: DO YOU REMEMBER?

2016:

- Interest 15,8 mln: **one off positive** impact coming from the adoption of the new model to estimate the cash flow of health service receivables purchased outright
- TIT: Group's 2016 NBI recalculated with the **new Internal Transfer Rates**. Due to external (market rates) and internal (composition and funding rates) changes, it has been necessary to revise and update the TIT calculation method
- **One day profit**: 633,4
- **Final price** for the acquisition of Interbanca Group: 109,4 mln

2016:

- Consolidation for only one month of Interbanca Group data
- Reversal PPA impact for around 10 mln

**NOT LIKE FOR LIKE COMPARISON
BETWEEN 2017 AND 2016**



MARGINS (NBI and NPFA*)

(Million Euro) – Preliminary Data

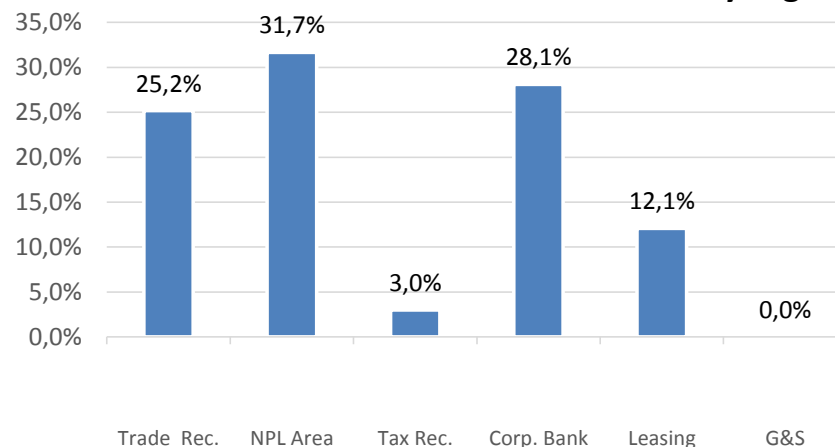
NBI: 519,6

(326,0 FY 2016) +59,4%

NPFA*: 504,8

(299,4 FY 2016) +68,6%

NBI 2017 Breakdown by segment



Data 12M	Trade receivables	Corporate banking	Leasing	Area NPL	Tax receiv.	G&S	Total
NBI 2017	130,8	146,1	62,7	164,5	15,6	0	519,6
NBI 2016**	148,5	3,0***	-1,2***	148,3	13,3	14,0	326,0
% Change	-11,9%	ns	ns	10,9%	17,0%	ns	59,4%
NPFA 2017	97,2	174,4	54,6	164,5	15,3	-1,2	504,8
NPFA 2016**	128,2	2,9***	-2,7***	148,3	13,0	9,7	299,4
% Change	-24,2%	ns	ns	10,9%	18,1%	ns	68,6%



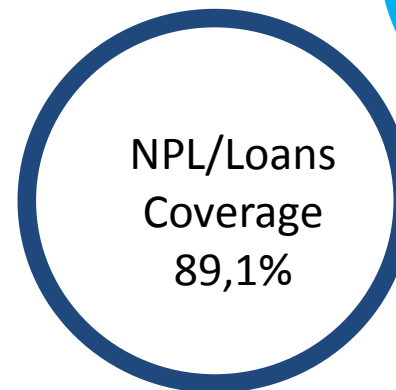
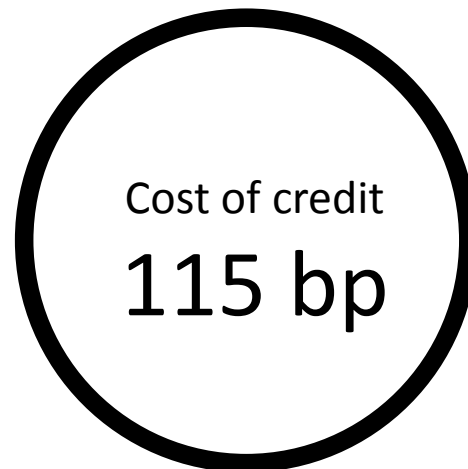
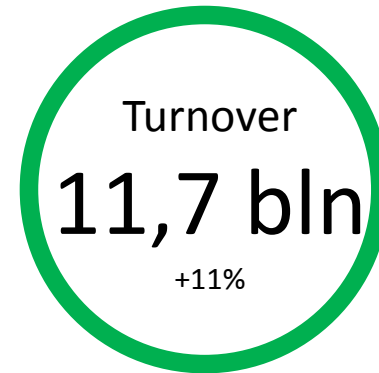
*NPFA= Net Profit from Financial Activities

Data 2016 recalculated with the **new Internal Transfer Rates 4

*** Contribution only for the month of December 2016

INSIGHT ON TRADE RECEIVABLES SEGMENT

FY17 preliminary data



INSIGHT ON CORPORATE BANKING SEGMENT

FY17 preliminary data

New Loans
420 mln

Reversal PPA-NBI
109,9 mln

Loans
1.059,7mln
+17%

NPL/Loans
Coverage
93,5%

Cost of credit
-153 bp
Positive due to release
of previous provision
and reversal of PPA

Provisions
28,4
Positive



INSIGHT ON LEASING SEGMENT

FY17 preliminary data

Clients
71.442

Market share*
2,7%

Loans
1.388,5 mln
+12,4%

Reversal PPA-NBI
10,9 mln

NBI /Loans
Rolling
4,48%

Cost of credit
58 bp



* volumes

INSIGHT ON NPL AREA


FY17 preliminary data

	Collection	NPL Gross Portfolio	Book Value	Book Value/NPL Portfolio
Internal and External Recovery Department	Non Judicial Payment Plans	602 mln	131 mln	22%
Legal Recovery Department	Order of Assignment Wage	344 mln	123 mln	36%
	Judicial ongoing workout	2.324 mln	298 mln	13%
Processed at least one time		7.293 mln	153 mln	2%
Waiting for the workout		2.512 mln	94 mln	4%
		13,1 bln	799 mln	




INSIGHT ON AREA NPL


FY17 preliminary data



New portfolio
acquisition
4,7 bln



Gross Book Value
Portfolio
13,1 bln

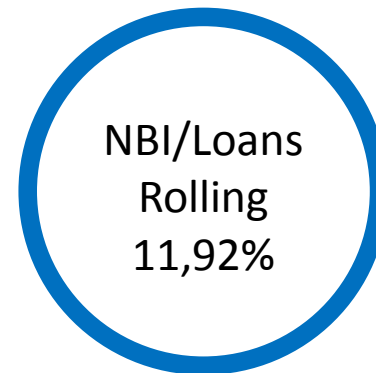


Net Book
Value
Portfolio
799,4 mln
+42,2%



INSIGHT ON TAX RECEIVABLES

FY17 preliminary data



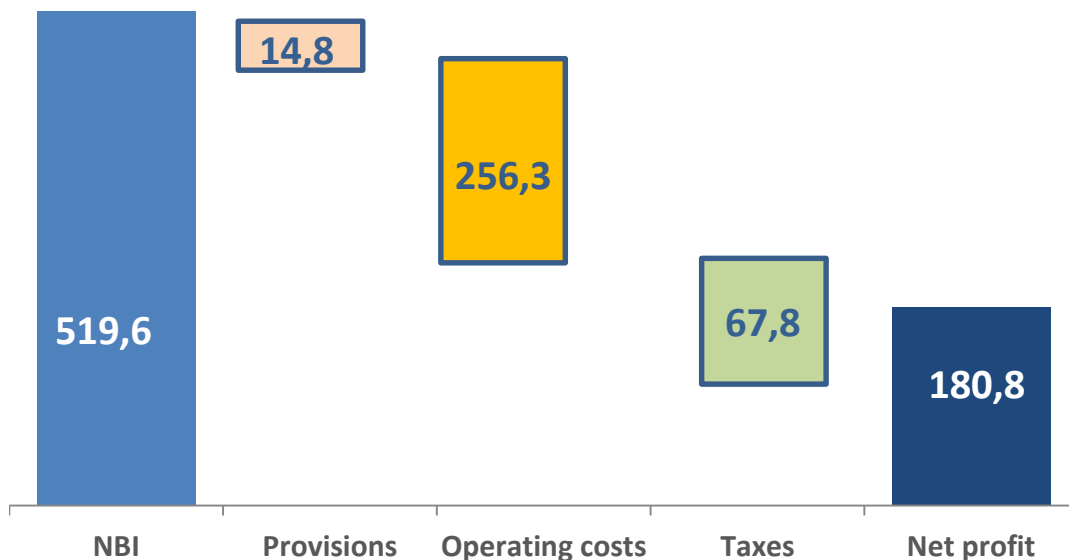
NET PROFIT

Million Euro FY17 preliminary data

180,8 (697,7* in FY 2016) -74,1%

Pro-forma normalized:

94,7 (89,8 in FY 2016) +5,5%



Personnel	2017	2016	% Change
	98,3	65,9	+49,1%

Other expenses	2017	2016	% Change
	152,6	126,3	+20,9%

	2017	2016
Cost/Income	49,3%	51,9%**
Tax rate	27,3%	33,4%**

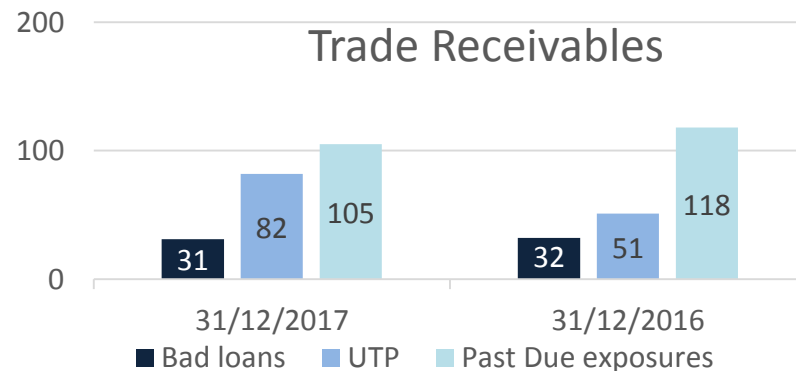
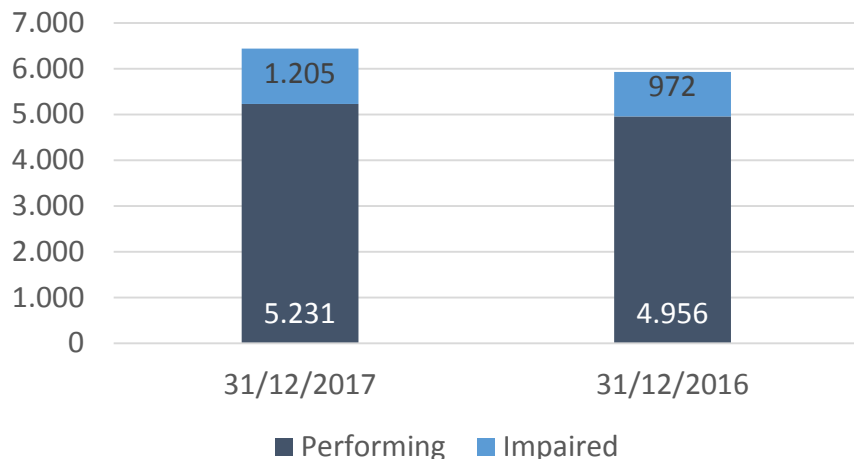


*restated **normalized

ASSET QUALITY & NPE TREND

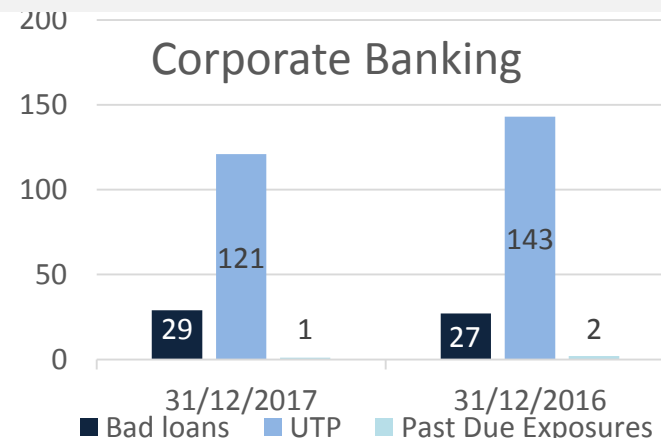
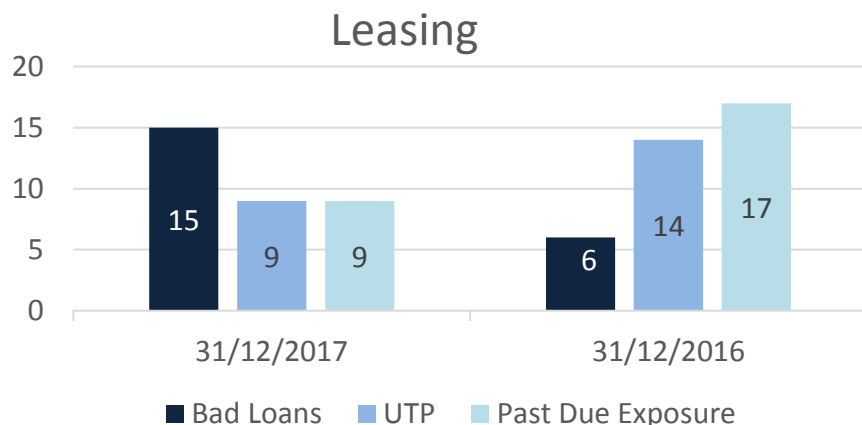
(Million Euro) FY17 preliminary data

Net Customer Loans



Loans to customers
6.435,8 +8,6%

of which:
 3.039,8 Trade receiv.
 1.059,7 Corp. Banking
 1.388,5 Leasing
 799,4 Area NPL
 130,6 Tax receiv.
 17,8 G&S



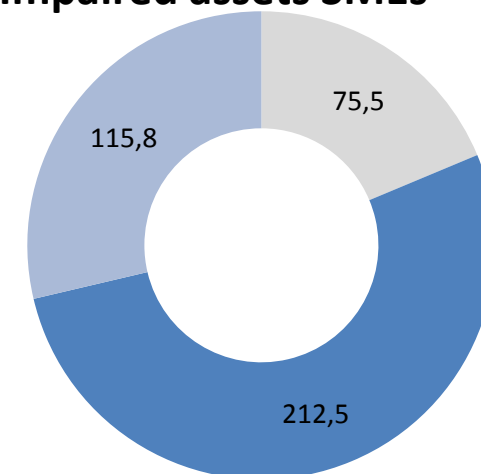
CREDIT QUALITY: SMEs LENDING

(Million Euro) % FY17 preliminary data

Loans to customers : 5.618,6 +4,9%

FY2017	Trade Receivables	Corporate Banking	Leasing	Tax receivables	Total SMEs Lending
Net NPL	31,4	28,9	15,3	0	75,5
% Net NPL/Loans	1,0%	2,7%	1,1%	0%	1,3%
% NPE/Loans	7,2%	14,3%	2,4%	0%	7,2%
NPL COVERAGE	89,1%	93,5%	80,9%	0%	90,7%
NPE COVERAGE	58,4%	77,5%	73,0%	0%	69,5%

Impaired assets SMEs



■ NPL ■ Unlikely to pay ■ Past-due exposures



BALANCE SHEET – LIABILITIES STRUCTURE

(Million Euro) % change 31.12.2017 (preliminary data) vs 31.12.2016

rendimax + contomax+ corporate time depo

5.053,1 +9,4%

Due to banks

792,0 +57,1%

699,6 TLTRO n.a.

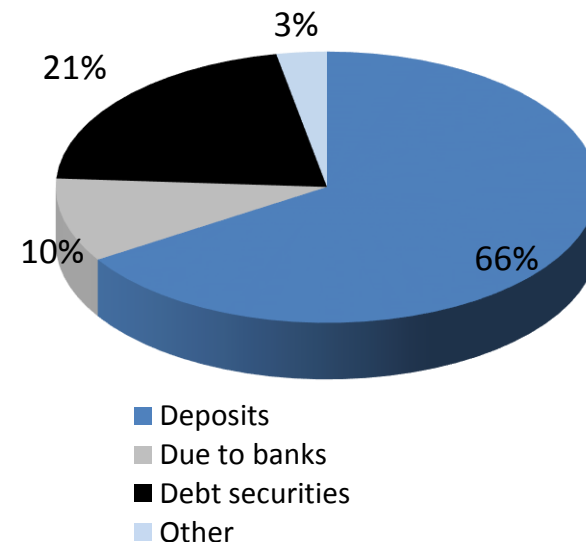
Debt Securities

1.640,0 +10,2%

387,9 Bonds
0,6 Certificates of deposit
850,0 Securitization
401,5 Tier2

Total funding

7.725,2 +9,8%



(Million Euro)
FY17 preliminary data

EQUITY: CHANGES	
Net equity at 31.12.2016	1.218,8
Difference on the acquisition price of Interbanca Group	9,8
Increases	183,9
Profit for the period	180,8
Change of AFS reserve	1,1
Other	2,0
Minorities	0,0
Decreases	43,8
Dividends	43,8
Net equity at 31.12.2017	1.368,7

Banca IFIS Group only KPIs	2017	2016*
	31/12	31/12
Common Equity Tier 1 Ratio (CET1)	15,64%	15,82%
Tier 1 Capital Ratio (T1)	15,64%	15,82%
Total Own Fund Capital Ratio	21,07%	15,83%

FY2016 restated*: data adjusted for the final price paid for Interbanca Group acquisition



4 YRS OF CONSISTENT AND SOLID GROWTH

(Million Euro) - FY17 preliminary data

	2014	2015	2016*	2017		2014	2015	2016	2017
Net Profit/ for the period	96	162	698	181	RWA (Eu bn)**	2,8	3,3	7,0	7,4
Net Loans to customers (Eu bn)	2,8	3,4	5,9	6,4	CET 1 Ratio**	14%	15,8%	15,8%*	15,6%
AFS+HFT (Eu bn)	5,1	3,2	0,4	0,5	Net equity	438	573	1.219	1.369
Total Assets (Eu bn)	8,3	7,0	8,7	9,6	NPL ratio	1,3%	1,1%	1,0%	1,0%
Tot. Funds and deposits (Eu bn)	7,7	6,2	7,0	7,7	NPL Coverage ratio***	86,4%	87,9%	88,5%	89,1%



*2016 RESTATED data (with bargain 633,4)

**Ratio without parent company La Scogliera minority

***Net bad loans/Net Loans to customers (Trade receivables)

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