PRESS RELEASE

BFF BANKING GROUP

The Board of Directors of BFF approved today the 1Q17 unaudited consolidated financial statements of BFF Banking Group.

Highlights:

- **Reported Net Income of €34.2m in 1Q17, versus € 15.3m in 1Q16**
- **Adjusted Net Income of €21.8m in 1Q17, up 20% versus €18.3m in 1Q16 with Magellan**
- **Growing business activity, with loans increasing by 11% y/y**
- **Increased geographic diversification: 26% of loans in international markets**
- **Solid capital position: Total Capital Ratio[1] of 19.6% versus Group target of 15%; Common Equity Tier I of 14.1%**
- **Dividend capacity: €21.8m distributable as dividends, implying a 100% payout of adjusted earnings**
- **Low risk profile: net NPLs/net loans at 0.5 % and annualised cost of risk of 10 basis points.**

Milan, 9 May 2017 – The Board of Directors of **BFF Banking Group (BFF)**, approved the 1Q17 consolidated financial statements.

In 1Q17 the group reported Net Income of €34.2m, compared with €15.3m in 1Q16, which did not include Magellan in the consolidation perimeter.

1Q17 adjusted net income reached €21.8m, with a 20% growth versus 1Q16 including Magellan, thanks to revenue growth driven by strong business activity, an efficient costs structure and low risk profile.

Customer loans at the end of 1Q17 amount to €2.531 million, +11% compared to €2.270m at the end of 1Q16 (including Magellan). Volume of new business is up 24% y/y.

Geographic diversification is increasing: at the end of 1Q17 international markets (Spain, Portugal and CEE) account for 26% of loans, above the 22% of a year before.

Capital ratios confirm the Group’s very solid capital position: Total capital ratio was 19.6% at the end of 1Q17, well above the company’s 15% target. At the same date, CET1 ratio was 14.1%. These ratios are calculated after setting aside €21.8m for

[1] Calculated on the Banking Group perimeter (pursuant to former TUB – Testo Unico Bancario).

dividend distribution, which implies a 100% payout of adjusted Net Income and already taking into account the effects of the DBRS sovereign rating downgrade.

The Group enjoys a very low risk profile, with Net Non Performing Loans representing only 0.5% of net customer loans, flat versus year end 2016. The annualised cost of risk for 1Q17 is 10 bps, in line with that of full year 2016 including Magellan.

"*In 1Q17 our Group experienced strong business performance, with expanding new business volumes that show how geographic diversification is paying off. We continue to deliver healthy profitability, growth and dividend capacity with a solid capital position and low risk.*" - commented **Massimiliano Belingheri, CEO of BFF.**

Key consolidated financial statements items

The 1Q17 reported results reflect the full consolidation of Magellan within the Group. 1Q16 reported results do not include Magellan's contribution since the acquisition closed in 2Q16. In this document year-on-year comparisons are made on the basis of 1Q16 data pro-forma including Magellan, in order to show more meaningful comparisons between 1Q17 and 1Q16 performance[2]. We show year-on-year comparisons also due to the nature of the business, which is affected by seasonality, characterized by elevated volumes of new business at the end of each year.

Adjusted profitability

1Q17 Adjusted Net Income is calculated excluding the following extraordinary items net of taxes:

- €17.8m one-off income related to the change in LPI estimated recovery rate from 40% to 45%;
- €1.7m extraordinary costs related to the IPO. All IPO costs are now fully expensed;
- €1.1m extraordinary costs related to stock option plan (also related to the IPO[3]); this item generates a positive equity reserve, with therefore no impact on Group equity;
- €2.6m after tax negative impact in P/L from the change in €/PLN exchange rate on the acquisition loan for the purchase of Magellan, which is more than counterbalanced by a positive change in equity reserve, related to the higher value in euro of the purchase price of Magellan, reflecting the natural hedging between those two items.

[2] Exchange rates used: for Poland PLN/€ = 4.3206 for P&L data (average 1Q2017) and PLN/€ = 4.2265 for Balance Sheet data (31st March 2017); for Czech Republic: CZK/€ =27.0212 for P&L data (average 1Q2017) and CZK/€ = 27.3 for Balance Sheet data. 2016 Exchange rates for Poland PLN/€ = 4.3632 for P&L data (average 2016) and PLN/€ 4.4103 for Balance Sheet data (31th December 2016).

[3] Additional costs related to the stock option plan are: €0.6m in 2018, and €0.2m in 2019.

The adjusted result includes, however, the entire yearly ordinary contribution to the Resolution Fund for 2017 (€0.8m net of taxes), which has been expensed in 1Q17, while in 2016 it was expensed in 2Q16.

1Q16 Adjusted Net Income is calculated excluding the following extraordinary items net of taxes: €0.5m extraordinary costs related to IPO costs; €0.1m extraordinary costs related to Magellan acquisition. The result includes an €0.1m accrual net of taxes for the ordinary contribution to the Resolution Fund.

Main balance sheet data

Customer loans at the end of 1Q17 amount to €2.531m, compared to €2.270m at the end of 1Q16 (including Magellan), and up by 11% y/y. For the first time, first quarter loans are higher than year end loans (+1.3%), notwithstanding the seasonality of the business.

Geographic diversification brings relevant contribution to growth, confirming BFF's successful international strategy. International markets (Spain, Portugal and CEE) account for 26% of loans, well above the 22% of 1Q16.

Business activity was strong in the period: in 1Q17 overall Group **new business volumes** reached €830m, representing a 24% growth compared to 1Q16 (€670m including Magellan). Iberia highlighted healthy business with Spain growing by 231%. In Italy volumes grew by 3% y/y, while at Magellan new business was up by 72% y/y, with strong contribution both from Poland and Slovakia.

1Q17 confirmed the continuous diversification of funding and capital sources, with **total available funding** amounting to €3.216m (+22.9% compared to €2.616m at the end of 1Q16, and +2% versus the end 2016). In particular, online deposits reached €838m, up by +63.4% y/y and by +2.6% from end 2016. A €100m subordinated Tier II bond was issued on March 2nd 2017, maturing in March 2027. Undrawn funding at the end of 1Q17 is more than €1bn.

The Group maintained a very healthy liquidity position, with a Liquidity Coverage Ratio (LCR) of 360%.

Main profit and loss data

Adjusted **net banking income**[4] amounts to €45.9 million in 1Q17, up 20% compared to the €38.2 million of 1Q16 including Magellan. This item was driven by **Adjusted Net Interest Income**[4], which reached €45.0m in 1Q17, with a 24% increase versus 1Q16 including Magellan, thanks to higher stock of loans (+11% y/y), widening interest spreads and good LPI (Late Payment Interest) collection. As of the end of 1Q17, the **off-balance sheet LPI fund** reached €522m, 5% higher than that of the end of 1Q16 (€496m).

Wider interest spreads were driven by higher **margins on loans**[5] of 8.6% in the period 1Q17, compared with 7.7% a year earlier, and lower cost of funding.

The average **cost of funding** shows a further reduction compared to the previous year: the combined figure including Magellan fell from 2.2% in 1Q16 to 2.0% in the first three months of 2017, which includes one month of the Tier II bond cost, and the cost of the Magellan acquisition financing. In 1Q17 Magellan cost of funding continued to improve, thanks to negotiation of terms and conditions of local funding, a process which will continue in the year.

The operational structure remains highly efficient with an *adjusted* **cost/income ratio**[6] excluding extraordinary costs of 34% compared to 33% in 1Q16. In 1Q17 **operating costs** excluding extraordinary costs[7] were €15.6m, versus €12.7m in 1Q16 including Magellan and excluding extraordinary costs[8]. Employees at Group level at end of March 2017 were 404 (of which 227 in BFF ex Magellan) compared to 350 at end of March 2016 (189 for BFF ex Magellan). Growth in staff has stabilised. The total employee base of 404 FTEs at end of 1Q17 is slightly lower than 409 FTEs at year end 2016. Operating costs in 1Q17 include the full yearly cost of the contribution to the Resolution Fund (€1.2m pre tax).

Loan loss provisions reached €0.7m in 1Q17, versus €0.2m in 1Q16 including Magellan, implying an annualised cost of risk of 10 basis points (4 bps annualised in 1Q16) in line with full year 2016.

1Q17 **Adjusted net income** reached €21.8m, showing a significant 20% growth compared to the €18.3m adjusted net income of 1Q16 including Magellan.

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[4] Adjusted Net Banking income does not include € 25.2m one-off impact of change in LPI accounting from 40% to 45% recovery rate but includes €0.9m interest expenses related to the financing for Magellan, which were not present in 1Q 2016 numbers.

[5] Calculated as Interest income on customer loans (excluding income on securities and on credit due from banks)/average loans in the period.

[6] Calculated as Adjusted Net Banking Income/operating costs excluding extraordinary costs of c. €3.9m composed of: c.€ 1.5m related to stock option plan (pro-rata) related to IPO, ca. €2.4m non-recurring costs related to the IPO process.

[7] 1Q17 extraordinary costs gross of taxes of c. € 3.9m composed of: c.€ 1.5m related to stock option plan (pro-rata) related to IPO, ca. €2.4m non-recurring costs related to the IPO process.

[8] 1Q16 extraordinary costs gross of taxes of c. €0.9m composed of: 1) €0.7m extraordinary costs related to IPO; 2) €0.2m extraordinary costs related to Magellan acquisition.

Capital ratios

The Group maintains high capital ratios[9], with a 14.1% **CET1 ratio** and a 19.6% **Total Capital ratio** calculated on the Banking Group perimeter (pursuant to former TUB – Testo Unico Bancario)[10]. These ratios embed the impact of the reduction in the rating of the Italian Republic to BBB (high) done by the rating agency DBRS – the Group ECAI– on January 13, 2017. As previously announced, the extraordinary part of Net Income (€12.5m) is included in the above capital ratios, while the Adjusted Net Income - €21.8m- is set aside for dividends distribution, in compliance with the Group's dividend distribution policy.

The 19.6% total capital ratio remains well above the company's 15% target.

Asset quality[11]

Superior asset quality is confirmed with a net non-performing loans/net loans ratio of 0.51% at end of 1Q17, versus the 0.48% at end 2016. Total impaired loans (non-performing, unlikely to pay, past due) – net of provisions - amounted to €62.5m, (€61.8m at year end 2016). In detail, at the end of 1Q17 net NPLs totaled €12.8m (from €5.9m at 1Q16 and €12.1m at year end 2016). Net Loans under the unlikely to pay category reached €4.6m in 1Q17 (€3.6m at year end 2016). Net Past due loans were €45.1m (€46.2m at year end 2016).

Significant events during 1Q 2017

On February 21, 2017 BFF Banking Group announced the private placement to institutional investors of a subordinated Tier II bond due in March 2027, for a total nominal amount of €100m, with an annual fixed coupon of 5.875% prior to the issuer call date (March 2022).

On March 12, 2017 BFF Banking Group received – following the conclusion of the annual supervisory review and evaluation process (SREP) – from the Bank of Italy a notification of the initiation of the administrative procedure concerning capital decision adoption. The regulatory authority has requested that the Group, pursuant to

[9] €12m of one-off earnings from change in LPI accounting net of extraordinary costs are included in Class I Primary Capital (Common Equity Tier I – CET 1), subject to the authorization of the competent authority.
[10] Considering the CRR Group perimeter, including the parent company BFF Luxembourg, the CET1 Ratio is 13.7% and the Total Capital ratio 19.2%. These ratios are subject to approval by BFF Luxembourg S.àr.l.
[11] 1Q16 figures are not comparable since Magellan did not report unlikely to pay and past due loans. NPLs are available also for 1Q16 including Magellan.

the CRR, comply with the following minimum capital ratios, each of which including the capital conservation buffer component: 6.55% in relation to the Common Equity Tier I ratio (CET1 ratio); 8.35% in relation to the Tier I Ratio; 10.75% in relation to the Total Capital Ratio (TCR). These capital ratios are applicable starting from 30/06/17.

Significant events after the end of 1Q 2017

On April 5, 2017 BFF Banking Group announced the conclusion of the placement, reserved to institutional investors, of the ordinary shares of Banca Farmafactoring S.p.A. and the admission to trading on the Mercato Telematico Azionario, organized and managed by Borsa Italiana S.p.A.. The placement comprised 53,000,000 of BFF's ordinary shares offered for sale by BFF Luxembourg S.àr.l. equal to 31.16% of the share capital (without considering the exercise of the greenshoe option). The offer price for the shares was set at €4.7 per share. The trading on the MTA started on April 7, 2017.

According to notifications received by the Group, as of May 8th, 2017the main shareholders are BFF Luxemburg (controlled by Centerbridge) with 55.81%[12] and the management team (31 shareholders) jointly owning 7.59%.

On April 11, 2017, Magellan Management Board resolved to close Magellan S.A. Corporate Branch in Spain located in Barcelona. Farmafactoring España S.A. acquired in 2016 the operating activities and the portfolio of financial assets of Magellan S.A. Corporate Branch in Spain.

On March 29, 2017, BFF received authorisation by the Bank of Italy to offer factoring services in Greece under the freedom to provide services.

Statement of the Manager responsible for preparing the company's financial reports

The manager responsible for preparing the company's financial reports, Carlo Zanni, declares, pursuant to paragraph 2 of Article 154 bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the document results, books and accounting records of the Company.

[12] BFF calculated this percentage ownership taking into account that the stabilisation period expired without the exercise of the *greenshoe option* (see press release dated May 8th, 2017), and notifications received pursuant to applicable Internal Dealing provisions.

Financial Statements Adjustments and Reported Statements

Adjusted net income

€m	31.03.2016	31.12.2016	31.03.2017
Group BFF Reported Net income	**15.3**	**72.1**	**34.2**
Magellan Acq. Costs	0.1	7.6	-
Extraordinaries	0.5	2.4	(12.5)
Extraordinary Resolution Fund contribution	-	1.5	-
Adj. Net Income	**15.9**	**83.6**	**21.8**
Magellan Net Income	2.4		
Magellan 5M Net Income		4.0	
Adj Net Income	**18.3**	**87.6**	**21.8**

Consolidated Balance Sheet *(Values in €)*

Assets	**31/03/2016**	**31/3/2016 Proforma combined with Magellan**	**31/12/2016**	**31/03/2017**
Cash and cash equivalents	62,776	64,817	149,035	41,192
Financial assets held for trading	0	0	244,420	0
Financial assets at fair value through profit or loss	0	3,401,129	3,401,129	3,473,323
Available-for-sale financial assets	458,396,250	458,396,250	385,279,885	515,118,891
Held to maturity financial assets	981,353,418	981,353,418	1,629,319,849	1,716,534,415
Due from banks	27,461,684	35,360,693	144,871,367	81,904,560
Due from customers	1,880,368,537	2,270,242,015	2,499,094,435	2,531,181,965
Hedging instruments	0	0	529,027	387,931
Equity investments	0	83,441	301,567	1,328,995
Property, plant and equipment	12,456,724	13,006,120	12,988,330	12,776,675
Intangible assets	2,413,265	2,685,355	25,811,363	25,492,086
of which:				
- goodwill	0	0	22,146,189	22,146,189
Tax assets	28,688,072	29,633,359	25,870,072	26,751,856
a) current	25,146,169	25,526,642	21,450,987	21,355,097
b)deferred	3,541,903	4,106,717	4,419,084	5,396,760
of which under Law 214/2011	762,725	762,725	748,650	732,889
Other assets	4,590,205	7,288,434	7,135,948	8,836,530
Total Assets	**3,395,790,931**	**3,801,515,031**	**4,734,996,427**	**4,923,828,420**

Liabilities and Equity	31/03/2016	31/3/2016 Proforma combined with Magellan	31/12/2016	31/03/2017
Due to banks	341,618,315	461,816,941	634,806,875	484,768,141
Due to customers	2,057,992,270	2,123,433,623	2,996,142,256	3,219,160,068
Securities issued	455,293,801	588,189,296	634,282,882	728,294,385
Financial liabilities held for trading	0	235,358	7,248	1,086,715
Hedging derivatives	0	0	176,037	1,077,636
Tax liabilities	77,409,369	79,327,833	73,658,616	85,538,958
a) current	28,075,599	28,618,646	24,129,771	31,180,317
b) deferred	49,333,770	50,709,187	49,528,845	54,358,641
Other liabilities	180,186,946	183,119,853	54,319,925	97,879,284
Employee severance indemnities	896,599	896,599	867,129	866,352
Provisions for risks and charges:	4,905,781	5,277,638	6,989,235	6,432,011
a) pension funds and similar obligations	4,539,916	4,539,916	6,342,956	5,771,885
b) other provisions	365,865	737,722	646,279	660,126
Valuation reserves	3,870,965	3,870,965	4,494,859	3,975,082
Reserves	127,433,947	196,202,974	126,132,168	129,545,633
Share premium	0	10,926,694	0	0
Share capital	130,900,000	131,357,112	130,982,698	130,982,698
Treasury shares	0	-831,009	0	0
Profit for the year	15,282,938	17,691,155	72,136,499	34,221,457
Total Liabilities and Equity	**3,395,790,931**	**3,801,515,031**	**4,734,996,427**	**4,923,828,420**

Consolidated Income Statement *(Values in €)*

Item	**31/03/2016**	**31/3/2016 Proforma combined with Magellan**	**31/03/2017**
Interest and similar income	37,469,753	45,644,291	79,943,831
Interest and similar expenses	-5,714,836	-9,390,810	-9,796,909
Net interest margin	**31,754,917**	**36,253,481**	**70,146,923**
Fee and commission income	1,782,999	1,782,999	1,775,151
Fee and commission expenses	-116,884	-116,884	-195,560
Net fees and commissions	**1,666,115**	**1,666,115**	**1,579,591**
Dividend income and similar revenue	0	35,295	25,458
Gains/losses on trading	0	26,586	-4,106,838
Fair value adjustments in hedge accounting	0	0	-290,955
Gains (losses) on disposals/repurchases of:			
available-for-sale financial assets	*251,088*	*251,088*	*0*
Operating income	**33,672,120**	**38,232,566**	**67,354,179**
Impairment losses/reversals on:			
a) receivables and loans	-112,356	-248,036	-662,092
b) available-for-sale financial assets			
Net profit from banking activities	**33,559,764**	**37,984,530**	**66,692,087**
Net profit from financial and insurance activities	**33,559,764**	**37,984,530**	**66,692,087**
Administrative expenses:			
a) personnel costs	-5,005,466	-5,831,236	-8,243,990
b) other administrative expenses	-6,350,035	-7,016,510	-10,462,018
Net provisions for risks and charges	-246,468	-246,468	-304,947
Net adjustments to/writebacks on property, plant	-292,749	-353,057	-364,247
Net adjustments to/writebacks on intangible assets	-375,087	-381,733	-440,742
Other operating income/expenses	369,395	494,074	935,226
Operating expenses	-11,900,410	-13,334,930	-18,880,717
Profit before tax from continuing operations	**21,659,354**	**24,649,600**	**47,811,370**
Income taxes on profit from continuing operations	-6,376,416	-6,958,445	-13,589,913
Profit after tax from continuing operations	15,282,938	17,691,155	34,221,457
Profit for the year	**15,282,938**	**17,691,155**	**34,221,457**
Profit for the year attributable to owners of the	**15,282,938**	**17,691,155**	**34,221,457**

	1Q16 Reported BFF only	1Q16 Reported Magellan only	1Q16 Combined	1Q16 Adjustment	1Q16 Adjusted	1Q17 Reported	1Q17 Adjustment	1Q17 Adjusted
Interest Income	37,469,753	8,174,539	45,644,291		45,644,291	79,943,831	-25,183,775	54,760,056
Interest Expenses	-5,714,836	-3,675,974	-9,390,810		-9,390,810	-9,796,909	0	-9,796,909
Net Interest Income	**31,754,917**	**4,498,564**	**36,253,481**	**0**	**36,253,481**	**70,146,923**	**-25,183,775**	**44,963,148**
Net Fee and Commission Income	1,666,115	0	1,666,115		1,666,115	1,579,591	0	1,579,591
Dividends	0	35,295	35,295		35,295	25,458	0	25,458
Gains/Losses on Trading	0	26,586	26,586		26,586	-4,106,838	3,760,180	-346,659
Gains/Losses on Hedging	0	0	0		0	-290,955	0	-290,955
Gains/losses on Purchase/Disposal of Available-for-Sale Financial Assets	251,088	0	251,088		251,088	0	0	0
Net Banking Income	**33,672,120**	**4,560,446**	**38,232,566**	**0**	**38,232,566**	**67,354,179**	**-21,423,595**	**45,930,584**
Impairment Losses/Reversal on Financial Assets	-112,356	-135,680	-248,036		-248,036	-662,092	0	-662,092
Administrative Expenses	-11,355,501	-1,492,245	-12,847,746	869,216	-11,978,530	-18,706,008	3,896,903	- 14,809,105
Net Adjustments to/ Writebacks on Property, Plan and Equipment and Intangible Assets	-667,836	-66,953	-734,790		-734,790	-804,989	0	-804,989
Provisions for risks and charges	-246,468	0	-246,468		-246,468	-304,947	0	-304,947
Other Operating Income (Expenses)	369,395	124,679	494,074		494,074	935,226	0	935,226
Profit Before Income Taxes from Continuing Operations	**21,659,354**	**2,990,246**	**24,649,600**	**869,216**	**25,518,816**	**47,811,370**	**-17,526,692**	**30,284,678**
Income Taxes	-6,376,416	-582,029	-6,958,445	-281,365	-7,239,810	-13,589,913	5,056,813	-8,533,101
Net Income	**15,282,938**	**2,408,217**	**17,691,155**	**587,851**	**18,279,006**	**34,221,457**	**-12,469,880**	**21,751,577**

Consolidated Statement of Comprehensive Income

	Item	03/31/2017	03/31/2016
10.	**Profit for the year**	**34,221,457**	**15,282,938**
	Other comprehensive income that will not be reclassified subsequently to the income statement, net of tax		
20.	Property, plant and equipment		
30.	Intangible assets		
40.	Defined benefit plans		
50.	Non-current assets classified as held for sale		
60.	Portion of valuation reserves from investments accounted for using the equity method		
	Other comprehensive income that will be reclassified subsequently to the income statement, net of tax		
70.	Hedges of net investments in foreign subsidiaries		
80.	Exchange differences	3,339,585	0
90.	Cash flow hedges	- 41,313	0
100.	Available-for-sale financial assets	-1,965,947	-312,608
110.	Non-currents assets classified as held for sale		
120.	Portion of valuation reserves from investments accounted for using the equity method		
130.	**Total Other comprehensive income, net of tax**	**1,332,326**	**-312,608**
140.	**Comprehensive income (Items 10+130)**	**35,553,783**	**14,970,330**
150.	Attributable to non-controlling interests	0	0
160.	**Attributable to owners of the parent**	**35,553,783**	**14,970,330**

Statement of Changes in Consolidated Equity

At March 31, 2017

	Opening balance at 12/31/2016	Adjustments to opening balance	Opening balance at 01/01/2017	Appropriation of prior year profit		Change in equity during the period									Equity attributable to owners of the parent at 03/31/2017	Equity attributable to non-controlling interests at 03/31/2017
						Changes in reserves	Equity transactions							Comprehensive income ended 03/31/2017		
				Reserves	Dividends and other appropriations		New shares	Purchase of treasury shares	Payment of extraordinary dividends	Change in equity instruments	Derivatives on treasury shares	Stock options	Changes in oownership interests			
Issued capital:																
- *ordinary shares*	130,900,000		130,900,000												**130,900,000**	
- *other shares*	82,698		82,698												**82,698**	
Share premium	0		0												**0**	
Reserves:																
- *from profit*	126,132,168		126,132,168	10,961		62,920								3,339,585	**129,545,633**	
- *other*	0		0												**0**	
Revaluation reserves	4,494,859		4,494,859									1,487,482		-2,007,259	**3,975,082**	
Equity instruments	0		0												**0**	
Treasury shares	0		0												**0**	
Profit for the period	72,136,499		72,136,499	-10,961	-72,125,538									34,221,457	**34,221,457**	
Total Equity attributable to owners of the parent	**333,746,224**		**333,746,224**	**0**	**-72,125,538**	**62,920**						**1,487,482**		**35,553,784**	**298,724,871**	
Equity attributable to non-controlling interests	**0**		**0**												**0**	

At March 31, 2016

	Opening balance at 12/31/2015	Adjustment to opening balance	Opening balance at 01/01/2016	Appropriation of prior year profit		Change in equity during the period									Equity attributable to owners of the parent at 03/31/2016	Equity attributable to non-controlling interests at 03/31/2016
						Change in reserves	Equity transactions							Comprehensive income ended 03/31/2016		
				Reserves	Dividends and other appropriations		New shares	Purchase of treasury shares	Payment of extraordinary dividends	Change in equity instruments	Derivatives on treasury shares	Stock options	Changes in ownership interests			
Issued capital:																
- *ordinary shares*	130,900,000		130,900,000												**130,900,000**	
- *others shares*																
Share premium	0		0												**0**	
Reserves:																
- *from profit*	127,409,048		127,409,048	9,131,366		-9,106,467									**127,433,947**	
- *other*	0		0												**0**	
Revaluation reserves	4,183,573		4,183,573											-312,608	**3,870,965**	
Equity instruments	0		0												**0**	
Treasury shares	0		0												**0**	
Profit for the period	68,790,823		68,790,823	-9,131,366	-59,659,457									15,282,938	**15,282,938**	
Total Equity attributable to owners of the parent	**331,283,444**		**331,283,444**	**0**	**-59,659,457**	**-9,106,467**								**14,970,330**	**277,487,850**	
Equity attributable to non-controlling interests	**0**		**0**												**0**	

Consolidated Capital Adequacy – Banking Group ex TUB

	BFF BANKING GROUP - EX TUB	
	31/03/2017	**31/12/2016**
Credit and Counterparty Risk	113.3	83.1
Market Risk	0.0	0.0
Operational Risk	29.8	29.8
Total Capital Requirements	**143.1**	**112.8**
Risk Weighted Assets (RWA)	**1,788.3**	**1,410.6**
Common Equity Capital	**266.0**	**261.1**
Undistributed portion of the profit for the year	**12.5**	
Deductions (goodwill and intangible assets)	**-25.5**	**-25.8**
CET I	**253.0**	**235.3**
Tier I	**0.0**	**0.0**
Tier II	**98.2**	**0.0**
Own Funds	**351.2**	**235.3**
CET 1 Capital Ratio	***14.1%***	***16.7%***
Tier I Capital ratio	***14.1%***	***16.7%***
Total Capital Ratio	***19.6%***	***16.7%***

Asset quality reported data

	31/03/2017		
	Gross	**Provision**	**Net**
Non performing - total	31.902	-19.104	12.798
Unlikely to pay	5.584	-1.013	4.571
Past due	45.153	-60	45.093
Total	**82.640**	**-20.177**	**62.463**

	31/12/2016		
	Gross	**Provision**	**Net**
Non performing - total	30.003	-17.938	12.065
Unlikely to pay	3.715	-101	3.614
Past due	46.250	-82	46.167
Total	**79.968**	**-18.121**	**61.847**

	31/03/2016 - BFF Only		
	Gross	**Provision**	**Net**
Non performing - total	17.709	-15.309	2.400
Unlikely to pay	0	0	0
Past due	39.599	-70	39.528
Total	**57.308**	**-15.379**	**41.929**

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BFF Banking Group

BFF Banking Group is the leading player in Europe in the management and nonrecourse factoring of receivables towards the Public Administrations. BFF Banking Group operates in Italy, Poland, Czech Republic, Slovakia, Spain and Portugal. In 2016 the Group's consolidated adjusted net profit was Euro 88 million and the CET1 ratio for the Banking Group at year end 2016 was 16.7%.

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