BFF BANKING GROUP

BFF Group overview

February 2018

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Pursuant the consolidated law on financial intermediation of 24 February 1998 (article 154-bis, paragraph 2) Carlo Zanni, in his capacity as manager responsable for the preparation of the Company's financial reports declares that the accounting information contained in this Presentation reflects the BFF Banking Group documented results, financial accounts and accounting records.

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BFF Banking Group: A Bank Like No Other

Leading financial services provider to suppliers of the European Healthcare and Public Administration sectors

Market leader in large and underpenetrated markets	€255bn market
Solid and resilient business model with compelling assets and earnings growth	>15% CAGR 2013-2017(1)
Low risk profile coupled with solid capital position	20bps Cost of Risk 17.5% TC ratio(2)
Superior cash generation with proven track record of high profitability and dividend	33% RoTE(3) 100% payout
Significant growth potential through excess capital, invested platform and access to funding	Excess capital allows 16% RWA growth & 100% payout €0.9bn of liquidity
Management fully aligned with public market shareholders	7.6% direct stake post IPO 8% hurdle rate on stock options

Source: Annual Reports

Notes: (1) 2013 income statement normalised for change in LPI accounting; 2017 net income adjusted to exclude extraordinary items. (2) Referring to Banking Group as of 31/12/2017 (3) 2017 net income adjusted to exclude extraordinary items

Leading Provider of Credit Management and Working Capital Solutions to Public Sector Suppliers, to Tackle the Payment Delays From the Public Administration in Southern Europe and CEE

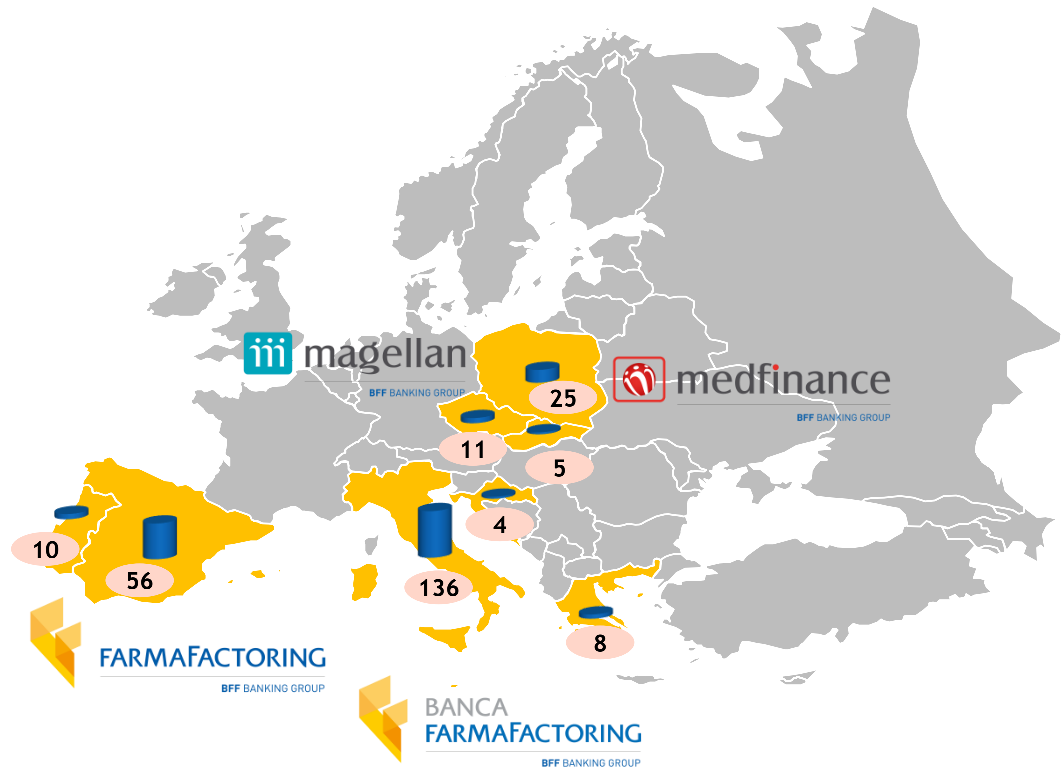
BFF BANKING GROUP

Endemic Delay in Payments in the Public Sector

- Some European countries have endemic delays in payments due to Public Administration suppliers, because of:

1. Mismatch between centralised tax collection and decentralised public spending
   - Only 16% of total public expenditure for goods and services in Italy is controlled by Central Government
2. Administrative complexity: 22,948 Italian public entities[1], 18,838 Spanish public entities[2] and 4,069 Portuguese public entities[3]
3. Commercial debt not classified as public debt, allowing financial flexibility to governments

€255bn of Public Sector expenditures in the countries we operate in



Public expenditure in good and services (€bn)

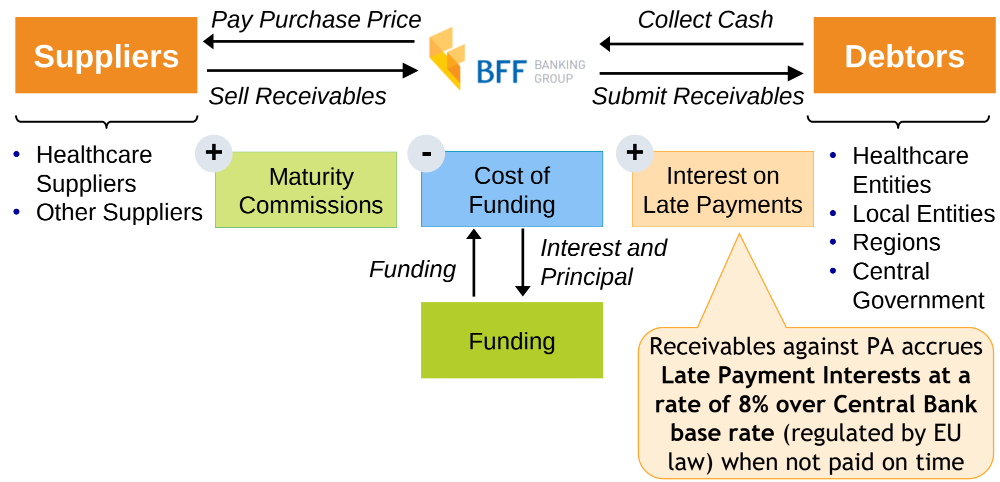
Source: Eurostat
Notes: (1) Souce IPA, Indice delle Pubbliche Amministrazioni; (2) Source IGAE, Intervencion General de la Administracion del Estado; (3) Source Associação Nacional Municípios Portugueses, Direcção Geral do Orçamento and Commissao Nacional de Eleicoes; Data as of 2016.

BFF Banking Group’s Services Offered

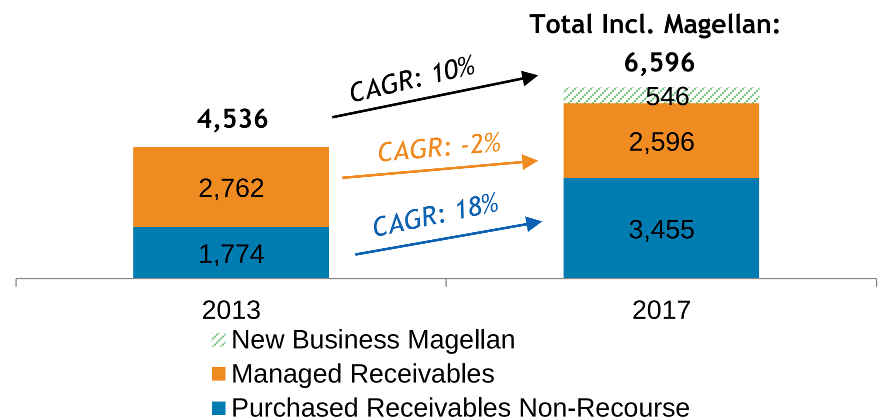
General Overview

- Three business lines:
  - **Non Recourse Factoring (“Purchased”)** (Funded business, 77% of gross revenues[(1)])
  - **Credit Collection Management** (Unfunded business, 4% of gross revenues[(1)])
  - **Financing** to healthcare entities and Local Government in CEE (funded business, 19% of gross revenues[(1)])

Focus on Non-recourse Factoring - Revenues Model



Total New Business Volumes (€m)



Source: Company data

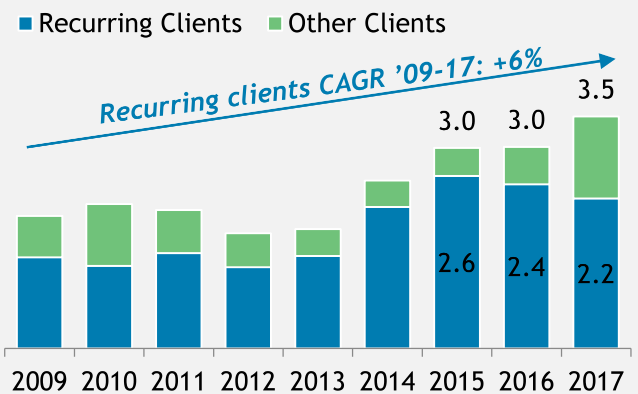
Notes: (1) 2017 gross revenues calculated as the sum of interest income on loan to costumers (excluding the one off impact from change in LPI accounting from 40% to 45%) and commission income

Solid Business Model…

Suppliers

- Long-standing relationship with top suppliers to the PA (leading multinational and national suppliers) → top 10 clients have been BFF clients for more than 16 years
- Majority of clients have outsourced their credit management activities to BFF → significant barrier to entry
- Significant recurring business with established clients

BFF excl. Magellan Non-Recourse Volumes (€bn)



Recurring clients[1] represented on average more than 70% of total volume

- **Highly experienced senior management team with a long tenure in the Group** (> 12 years on average)
- **Advanced and scalable IT platform developed in-house**

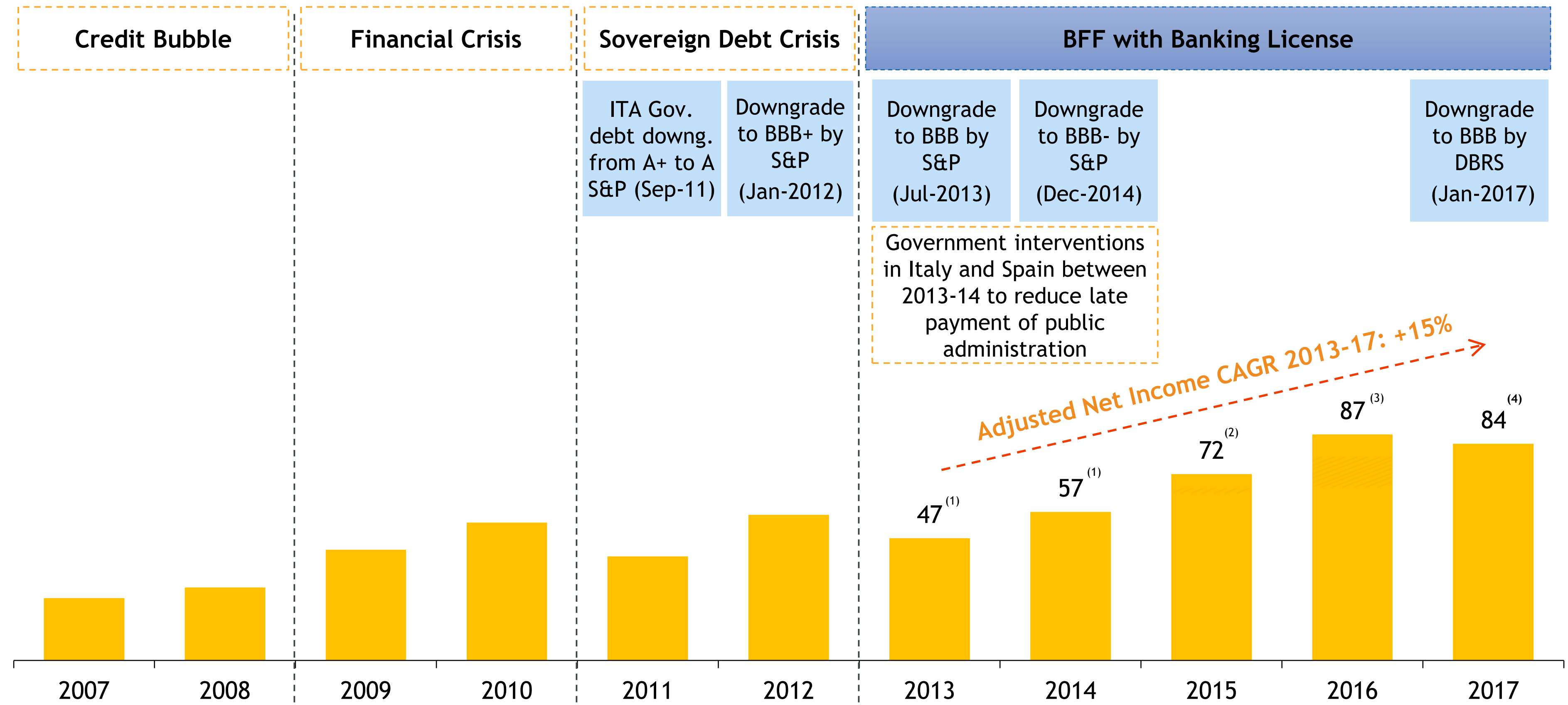
Debtors

- Long track record in dealing with Public entities and deep knowledge of the payment dynamics → better collection
- A proprietary database built over 30 years of experience enabling for an accurate estimate of collection time and credit risk → better pricing
- Short term duration of the receivables purchased allowing constant repricing
- Negligible Cost of Risk
- Low risk of underlying receivables (commercial debt vs. sovereign debt)

Source: Company data
Note: (1) Recurring non-recourse clients defined as clients who concluded at least 1 transaction per year in the 2015 – 2017 period.

…Able to Grow Profitably through Every Season

Net Income (2007-2017)



IT Lira 500m (€260k) invested in 1985 - c.€530m dividend distributed

Source: annual reports, Factset.

Notes: (1) 2014 and 2013 net income normalised for change in LPI accounting; (2) Adjusted to exclude extraordinary costs. For 2015 adjusted net income includes ca. €0.3m ordinary contribution to Fondo Interbancario and Resolution Fund and excludes €0.7m of extraordinary contribution to Resolution Fund; (3) Excluding €11m of extraordinary expenses and including €4m Magellan 5 months contribution; (4) Excluding €12m of net positive extraordinary items

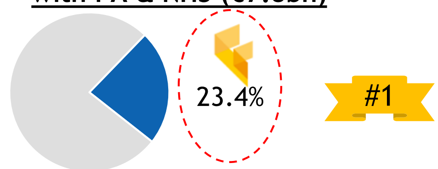
We Operate in an Underpenetrated €255bn Market, with Leadership Position in Many Geographies…

Key Considerations

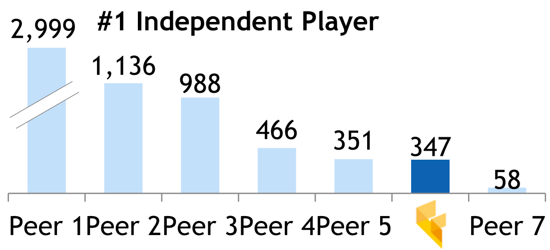
- **Total potential market is** the public sector expenditure in goods & services, **c. €255bn in Italy, Spain, Portugal, Poland, Slovakia, Czech Republic, Croatia and Greece**
- In Southern Europe, stable expenditures despite austerity measures
- Growing market in CEE
- **Authorized to enter the Croatian market** in freedom of service. Launch date expected for 2Q18 with initial focus on healthcare

BFF Positioning

Non-recourse Factoring outstandings with PA & NHS (€7.8bn)



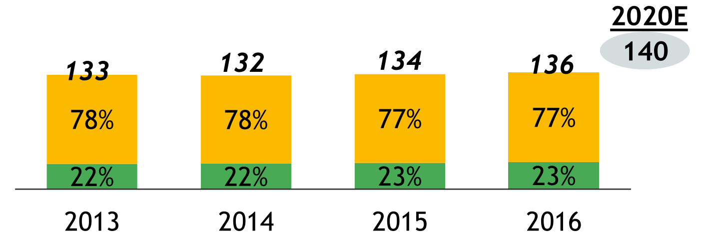
#1 Independent Player

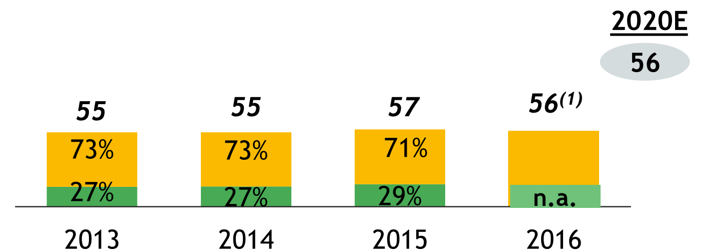


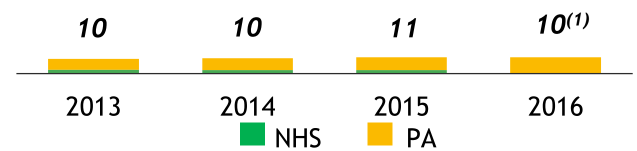
- **#1 Independent Player**
- **Sole specialised player in Portugal**

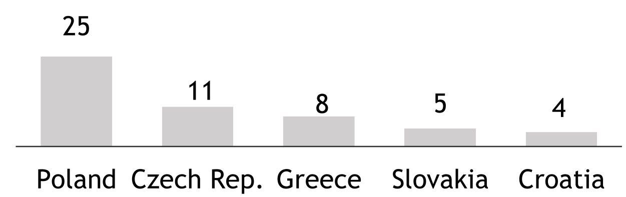
- **Leader in alternative financing in Poland**
- **Sole specialised player in Slovakia**
- **One of the few specialist in Czech Republic**
- **Sole specialised player in Greece**

Total Public Expenditure in Goods and Service (€bn)









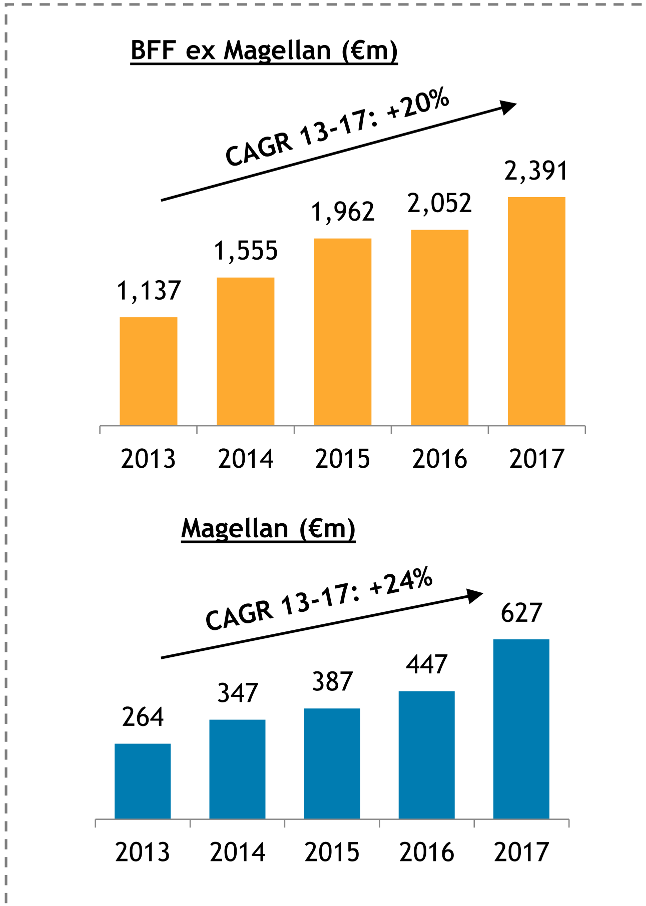
Source: PwC, IMF, DEF 2016 and 2017, Ministero de Sanidad, Servicios Sociales e Igualdad, Ministerio de Hacienda y Administraciones Públicas, and Actualizacion del Programa de Estabilidad 2016-2019 – Reino de Espana, Instituto Nacional de Estatistica – Portugal
Notes: (1) Breakdown not available.

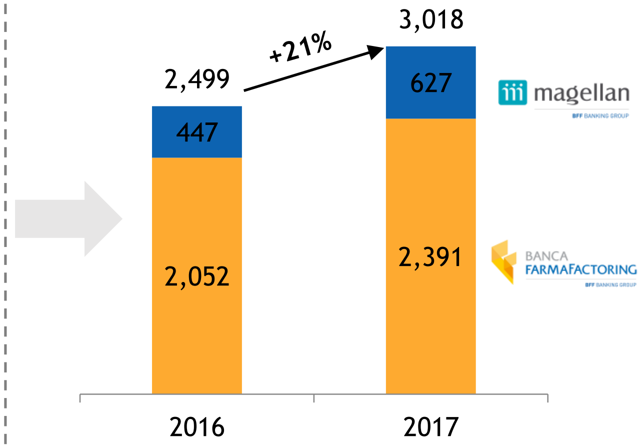
...With a Growing Business, Increasingly Diversified...

Key Considerations

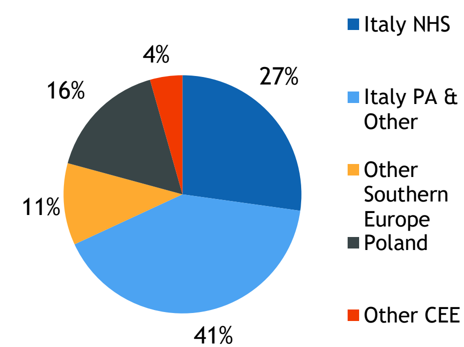
- Significant customer loans growth (CAGR 13-17 of +21%) **with higher contribution from less capital intensive segments** (non NHS public administration)
- **+21% y/y total customer loan growth in 2017,** with Magellan up by 40%
- **Increased geographic diversification** with 32% exposures in non domestic markets
- **Entry into the Greek market** in September 2017 with **€14m** of volume purchased in 2017
  - Initial focus on healthcare, planning to expand to rest of PA in 2018

Customer Loans Evolution (€m)





2017 Customer Loans by geography

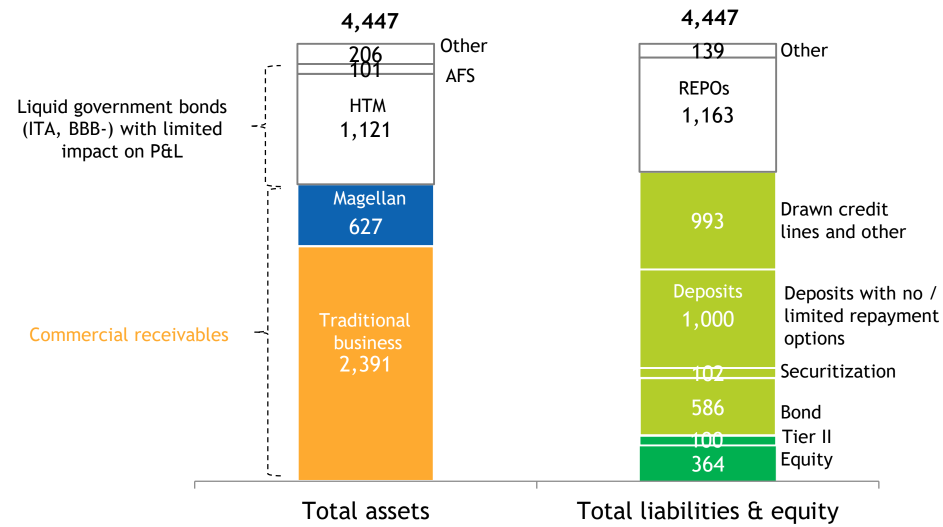


...and with a Fortress Balance Sheet and Low Risk Profile...

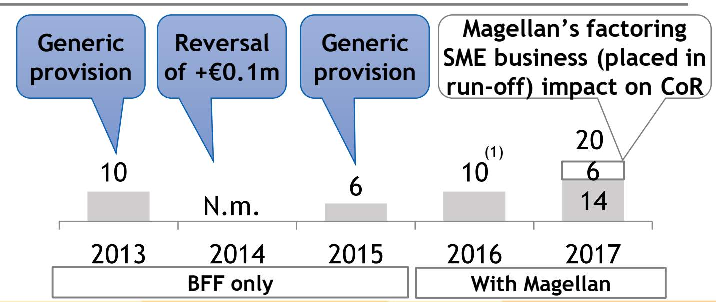
Key Considerations

- **A fortress balance sheet**
  - Conservative asset / liability management approach: loan book funding duration higher than that of receivables
  - Commercial receivables funded through a well diversified funding base with a short maturity of the asset side allowing for fast repricing
  - Strong liquidity position with a **LCR of 287%** as of December 2017
  - Decreasing government bond portfolio, now c. 27.5% of total assets (-39% y/y)
- **Low risk profile**
  - Negligible credit risk profile: **CoR at c.20 bps** (14bps excluding impact of Magellan's SME business placed in run-off at the end of 2017)
- **High creditworthiness of the counterparties:**
  - Mostly multinational and large corporates

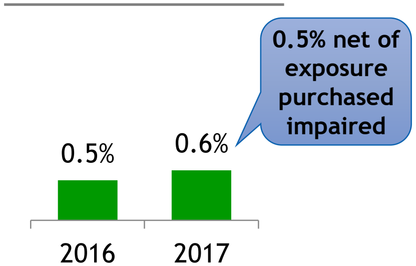
Breakdown of Balance Sheet 2017 (€m)



Cost of Risk (bps)



NPL ratio



Source: Annual report and press release

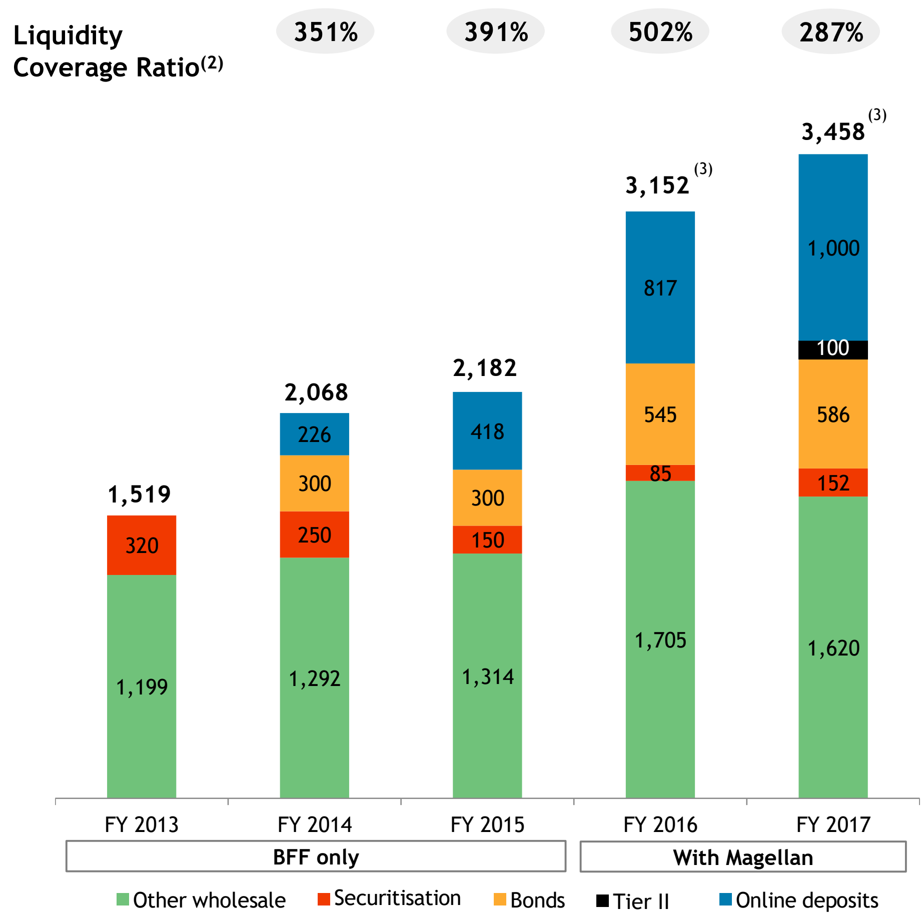
Notes: (1) Based on 2016 numbers including Magellan for 12 months (i.e. -€2.7m of total provisions).

… Couple With a Diversified Funding Base…

Key Considerations

- **A diversified and flexible funding base to support business growth:**
  - Deposits accounting for 38% of drawn funds, €1,000m as of December 2017, +22% versus FY2016
- **Ample excess liquidity with group undrawn funding at € 0.9bn**[(2)]
- **Access to institutional capital markets:**
  - **First unrated institutional issuance by an unlisted Italian bank:** €100m Tier 2 5.875% coupon bond issued on 2nd March 2017
  - €200m 5Y senior unsecured 2.0% coupon bond issued on 29th June 2017
  - **First ever unrated floater Euro bond issued by a bank on the European market:** €200m 2.5Y senior unsecured Euribor 3M + 1.45% coupon bond issued on 5th December 2017

Available Funding[(1,2)] (€m)

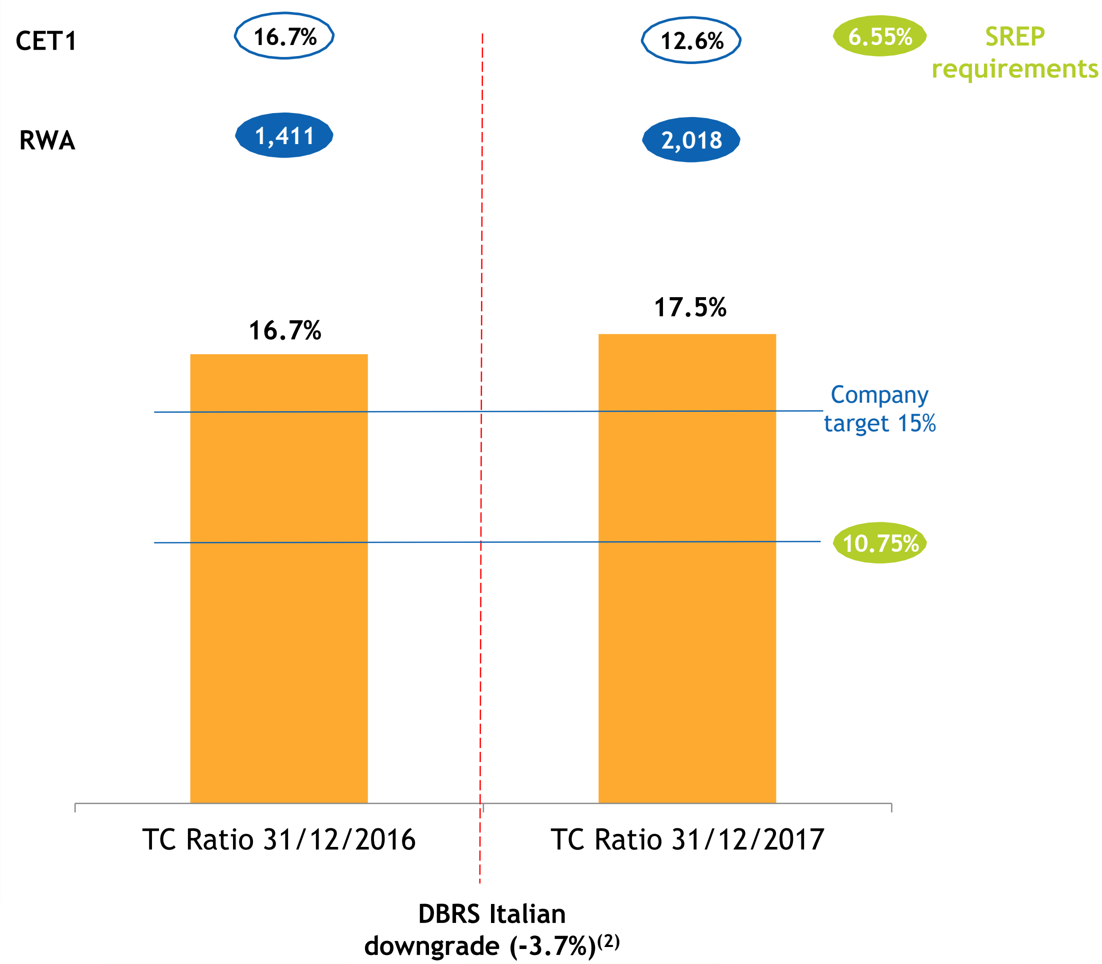


Notes: (1) Excluding ECB funds and REPOs. (2) Based on utilized credit lines; 2013, 2014 and 2015 excluding Magellan, December 2016 and 2017 including Magellan; (3) Not considering financing for Magellan acquisition 355 m PLN.

… and Backed by a Strong Capital Position…

- Robust capital position maintained also after the cash acquisition of Magellan, the full 2017 adjusted net income pay-out and the DBRS Italian downgrade
- **Banking Group Total Capital ratio equal to 17.5%**
  - €84m dividend not included in the capital ratios (equal to c. 390 bps of additional CET1 and Total Capital)
  - 250bps Total Capital in excess of 15% target available to sustain RWA growth
- **Banking Group CET1 ratio of 12.6%, c.** 2x the CET1 SREP requirement of 6.55%: 16% adjusted for the DBRS downgrade, in line with 2016 despite the strong growth in loans
- **Conservative RWA calculation** based on standard model and with Italian exposure to NHS and other PA risk weighted at 100%[2]. One Italian rating upgrade would move the risk weighting to 50% with a 4.8% positive impact on Total Capital Ratio and a 3.4% impact on CET1 Ratio
- **Lower RWA density thanks to a better loan mix**, 67% as of December 2017 vs. 70% as of September 2017

Total Capital Ratio - Banking Group ex TUB Capital Ratio[1]



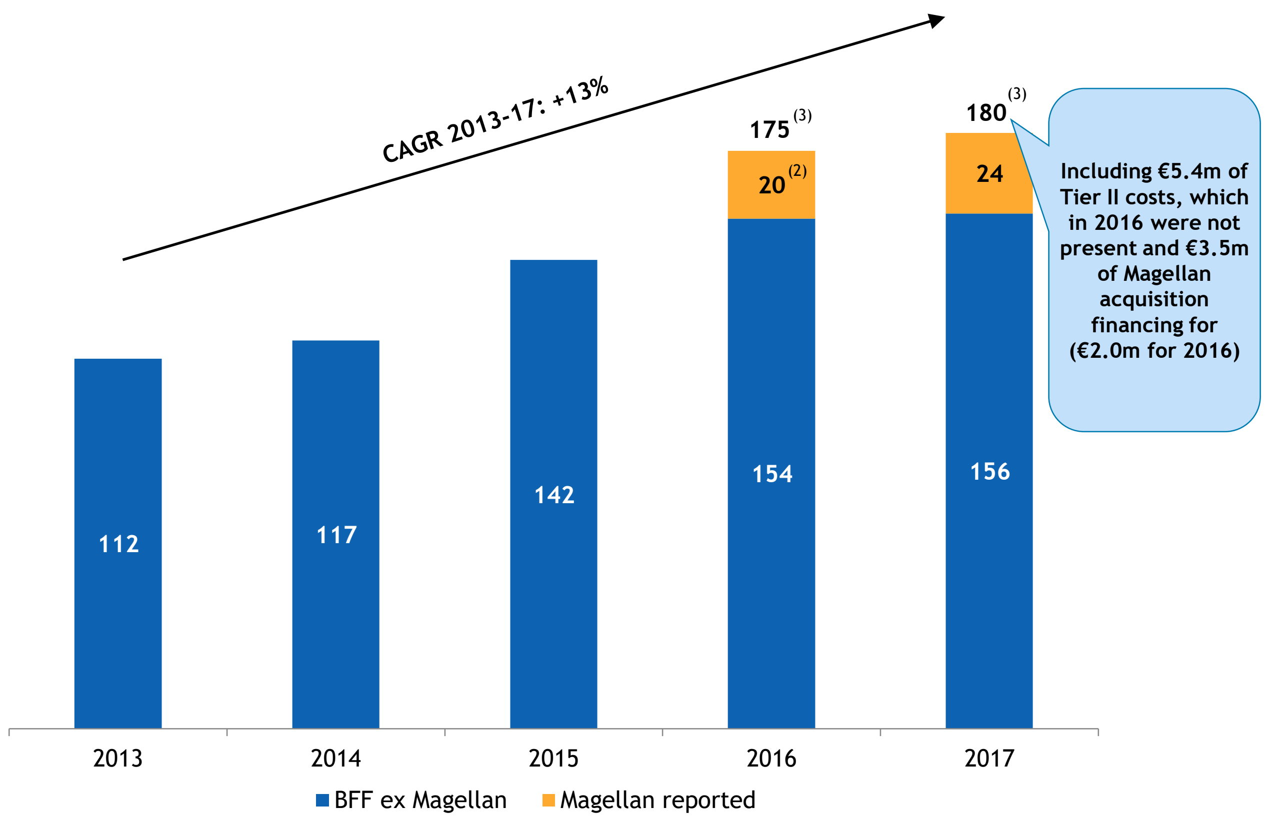
(1) 2017 CRR Total Capital Ratio and CET1 Ratio: 15,0% and 10,4%. These ratios are subject to approval by BFF Luxembourg S.àr.l. (2) Following the DBRS downgrade, starting from March 2017, capital ratios are calculated based on a higher risk weighting factor (from 50% to 100%) for the Italian exposure to NHS and other PA different from local and central government

Growth in net banking income

Key Considerations

- **Adjusted net banking income CAGR 2013-17 of 13%:**
- **+3% growth in 2017 vs. 2016** (net of one-off) thanks to higher average outstanding and to lower interest expense driven by a diversified funding base
- 2017 net banking income increased despite **cost of funding affected by** Tier II issuance and full year impact of the Magellan acquisition financing cost for **additional €6.9m of interest and commission expenses**

Adjusted Net Banking Income[1] (€m)



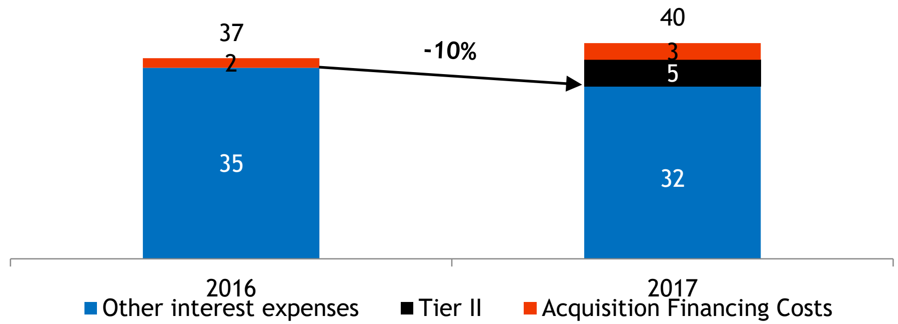
Notes: (1) Including 12 months of Magellan for 2015 and 2016 data and adjusted for extraordinary items; (2) €20m Magellan NBI for 12 months (€12m relative to the 7 months post BFF's acquisition and €8m relative to the 5 months before the acquisition); (3) Adjusted to exclude: €25.2m positive one-off impact of change in LPI accounting from 40% to 45% for 2017, -€4.7m of change in exchange rates impact for 2017 (+€0.4m for 2016) and -€3.5m commissions costs (including waiver) related to Magellan acquisition for 2016 only. Includes €5.4m of interest expenses and commissions related to Tier II for 2017, which in 2016 were not present and €3.5m of Magellan acquisition financing for 2017 (€2.0m for 2016).

Potential for Further Funding Cost Optimization

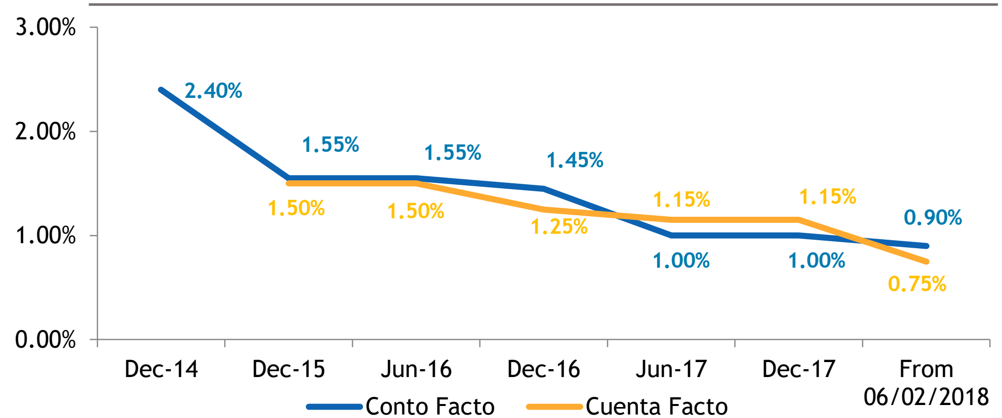
- **Reduction in cost of funding continued** with an average cost of funding of 1.96% in 2017, more than offsetting Tier 2 issuance and Magellan acquisition cost
- Increasing interest expenses from €37.1m to €39.9m in 2017, mainly due to *i.* the impact of Tier II (€4.9m in 2017, not present in 2016), *ii.* the cost of the acquisition financing for Magellan (€3.1m in 2017 vs €1.8m in 2016), *iii.* the increase of funding (in particular the Zloty funding for Magellan which are financed at an higher base rate)
- **Good visibility on further cost of funding reduction:**
  - Repayment at maturity of €300m 2.75% coupon 3y bond on 12th June 2017; new €200m 2.0% coupon 5y bond issued on 29th June and €200m Euribor 3M + 1.45% coupon 2.5Y bond issued on 5th December 2017
  - Rates offered on 12-month online deposits decreased in February 2018 to 0.90% and 0.75% respectively in Italy and Spain with the benefit to unfold once the deposits are reinvested at lower rates

Cost of funding (BFF + Magellan - €m)

	2016		2017
Average funding lines used (excl. REPO, €m)	2,033	+18%	2,397
Cost of funding (excl. REPO, %)	2.09%	-13bps	1.96%



12-months Online Deposits Interest Offered to New Moneys

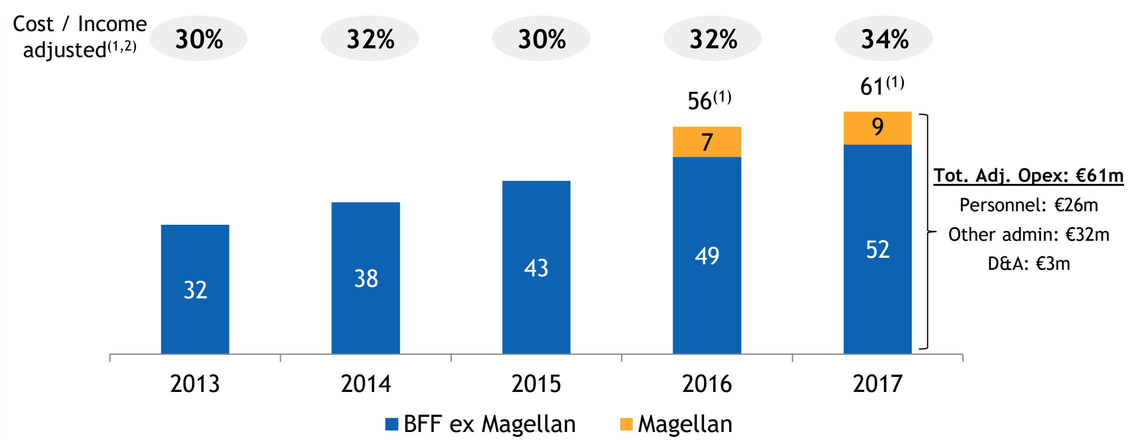


Already Invested in the Business to Capture Future Growth Potential

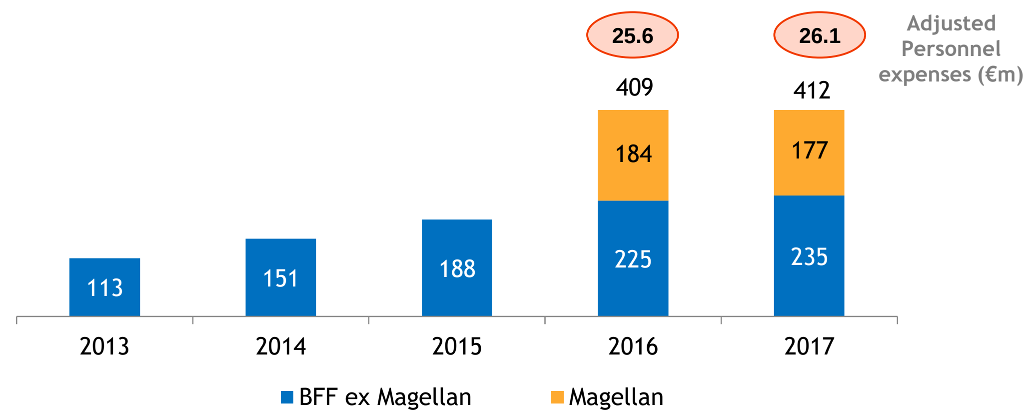
Key Considerations

- BFF heavily invested over the last four years in infrastructure and people **to support growth**
- Managed to maintain an efficient cost structure with **best in class Cost / Income ratio around 34%, also post Magellan acquisition**
- **Investments in infrastructures now largely made:**
  - Stable employee base versus YE2016 figures but growing versus 9M16 (388 headcout)

Operating Costs Adjusted for Extraordinary Items(1) (€m)



Number of employees



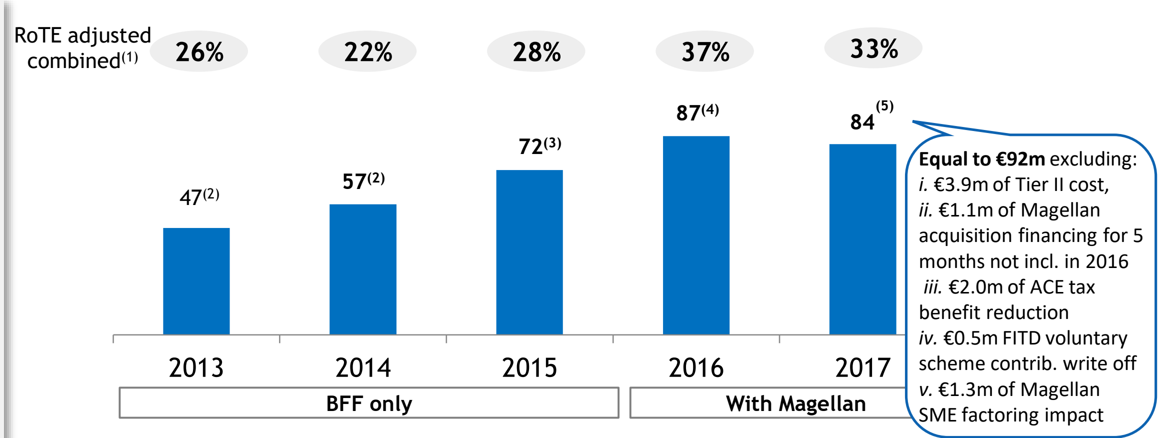
Notes: (1) Adjusted to exclude extraordinary costs: 2017 gross extraordinary costs of €3.9m (€1.5m related to stock option plan (pro-rata) related to IPO; €2.4m related to the IPO process), 2016 gross extraordinary costs of €12.6m: €3.5m related to IPO, €2.2m extraordinary contribution to Resolution Fund and the rest for the Magellan acquisition; 2015 adjusted number includes ca. €0.7m ordinary contribution to Fondo Interbancario and Resolution Fund and excludes €0.7m of extraordinary contribution to Resolution Fund. (2) C/I computed as operating expenses (administrative expenses + staff expenses + amortization on tangible and intangible assets) divided by net banking income; Source: Company data

High Profitability and Significant Dividend Capacity

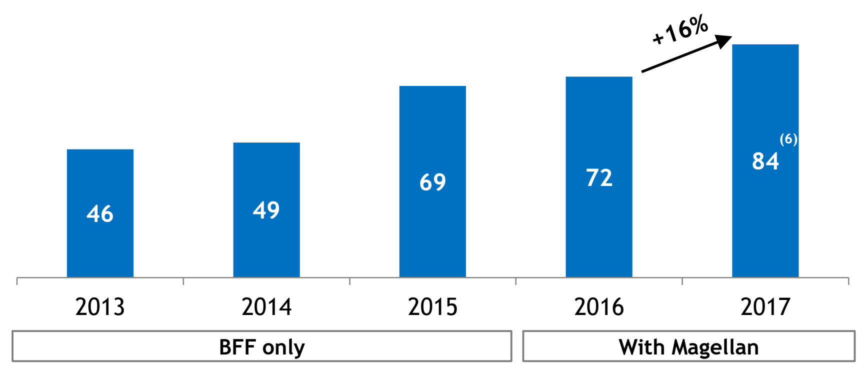
Key Considerations

- Almost doubled net income in the last 5 years to €84m
  - Significantly improved return on capital thanks to an efficient use of capital with **2017 RoTE adjusted at 33%**
  - 2017 adjusted net income include €7.5m "new" costs not present in 2016 and €1.3m of negative impact on P&L related to Magellan SME factoring business placed in run-off at the end of 2017. Excluding these costs, **the adjusted net income 2017 would be €92m, +6% y/y**
- **The Group's dividend policy is to distribute up to 100% of consolidated earnings in excess of 15% Total Capital ratio target**
  - Historical attractive dividend flows despite strong RWA growth with **more than €320m dividend paid between 2013 - 2017[6] and with a pay-out ratio of over 95% on average and 16% CAGR**

Net Income adj[1] (€m)



Dividend (€m)



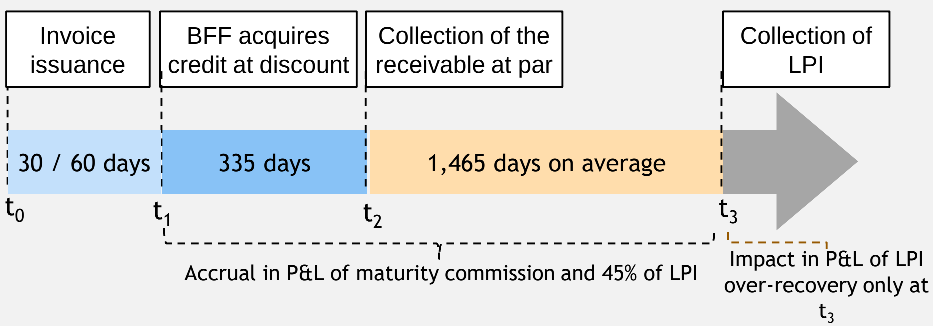
Notes: (1) RoTE = NI adjusted/tangible equity; (2) 2013 and 2014 NI pro-forma for change in LPI accounting; (3) 2015 adjusted NI includes c. €0.3m ordinary contribution to Fondo Interbancario and Resolution Fund and excludes €0.7m of extraordinary contribution to Resolution Fund; (4) NI adjusted for €11m extr. costs and €4m for 5 months Magellan contribution. (5) 2017 excluded extr. items net of taxes of: €17.8m related to the change in LPI accounting from 40% to 45%; €1.7m costs related to IPO; €1.1m costs related to stock option plan; €3.3m post tax negative effect from exchange rate movements on the debt for the acquisition of Magellan, offset at the comprehensive income and equity level by a corresponding increase in value of the Magellan asset, given the natural hedging put in place at the time of the acquisition. (6) 2017 dividend proposed by the BoD and subject to shareholders' approval . Source: Company data

High Visibility of Future Revenues from LPI

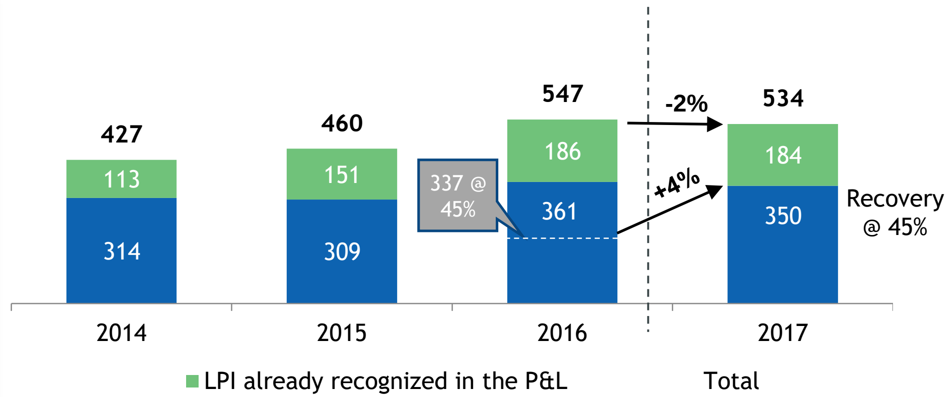
Key Considerations

- **The full impacts on BFF's P&L originated by the LPIs and related to the significant growth of purchased receivables over the last years will be fully visible only in the coming years:**
  - LPI on current outstandings and on already collected receivables generate revenues for 5 years
  - The full P&L impact related to a higher LPI recovery rate vs. the assumed 45% (40% before 2017) will become visible only at collection date of the LPI
- **Increase in 2017 unrecognized LPI +4% vs 2016,** adjusted for 45% assumed recovery rate, expected to be visible in the coming years

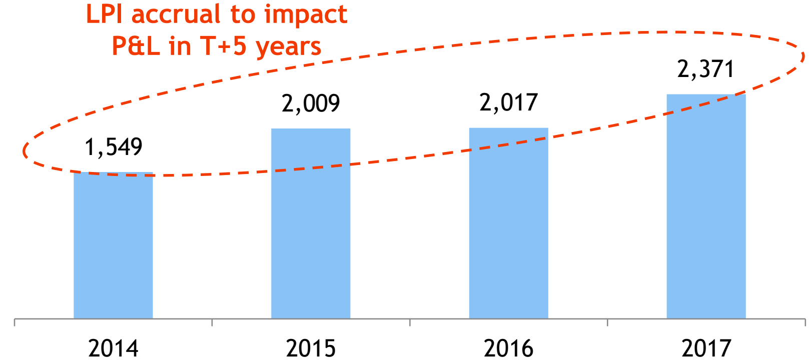
Illustrative example



LPI Stock Evolution (Excl. Magellan) (€m)



Outstanding Evolution (Excl. Magellan) (€m)



Infrastructure, Funding and Capital Ready to Support Growth and Attractive Dividend Flow

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RoTE: 33%(1) **Total Capital ratio: 17.5%** **Target Total Capital ratio: 15%**

1 Invested in the business for growth …	Significant investment in infrastructure and expanded employee base to support business expansion
2 … with plenty of funding …	Ample liquidity (€0.9bn at year end) and access to multiple deposit and wholesale markets
3 … and raised capital to grow	2.5% of excess capital after the Tier II issuance to self fund growth while maintaining 100% payout ratio

Highly capital generative model able to self fund superior growth and deliver attractive dividend as already proven over the last years:

- The 17.5% total capital ratio allows full net income distribution until RWA grow by 16%
- Given its high RoTE, BFF can maintain both high growth and high payout ratio after full deployment of the excess capital

Notes: (1) 2017 RoTE annualised = (net income adjusted annualised)/tangible equity (capital + reserves + 2017 extraordinary earnings set aside for capital – intangible assets).

Management Fully Aligned With Public Market Shareholders

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Management have been shareholders of the business since 2006
Senior executives have been in the bank on average for more than 12 years

Yearly management bonus	✓ Paid only if budget achieved, zero otherwise ✓ 50% in shares or stock options for risk takers ✓ Multiplied up to 140% if EBTDA risk adjusted is +10% or higher than budget
Large direct stock ownership	✓ Management owns 7.6% stake post IPO (31 shareholders) ✓ 1 year lock up ✓ All manager shareholders have non compete agreement
Stock options with 8% hurdle rate	✓ 3.75% pool allocated at IPO ✓ Strike price equal to IPO price + 8% compounded returns ✓ 3 years vesting ✓ Broad coverage throughout the organisation (60+ people)

BFF 2020 "Strategic Targets"

BFF BANKING GROUP

The leading provider of credit management and receivables purchasing for the NHS and the Public Administrations Suppliers in the EU

Further consolidate leadership in Italy

- Continue to develop tailor-made offering to serve specific customer needs
- High quality services for large clients covering the full healthcare value chain
- Increase penetration into adjacent segments of non-healthcare suppliers to the NHS and PA
- Invest in IT platform

Further expand business outside Italy both in the NHS and PA, increasing geographical diversification

Maintain a high quality portfolio thanks to a continuous focus on large clients and stringent underwriting standards

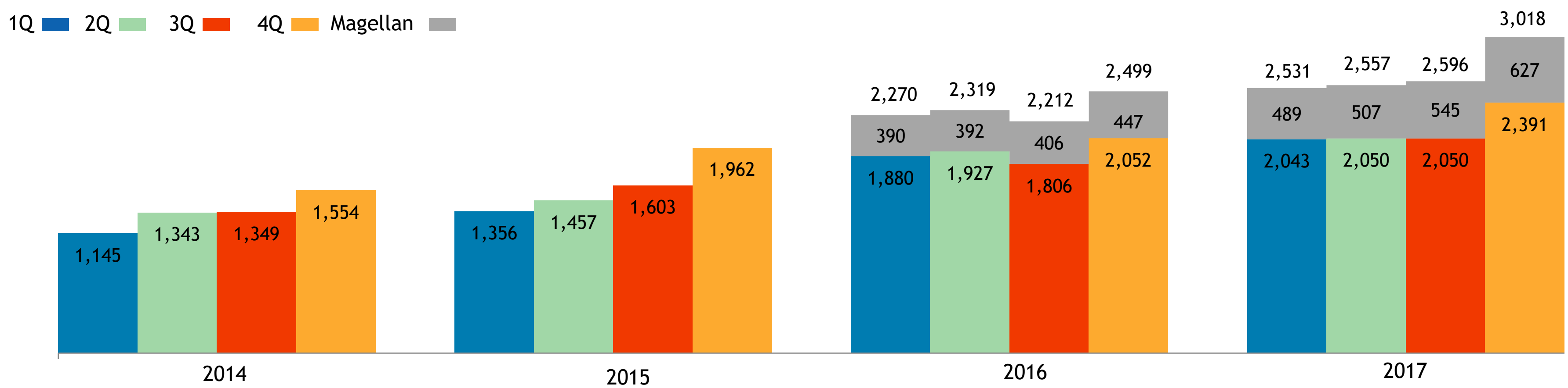
- Maintain disciplined underwriting approach
- Continue serving blue-chip customer base

Maintain a solid balance sheet with best-in-class capital position and attractive leverage profile

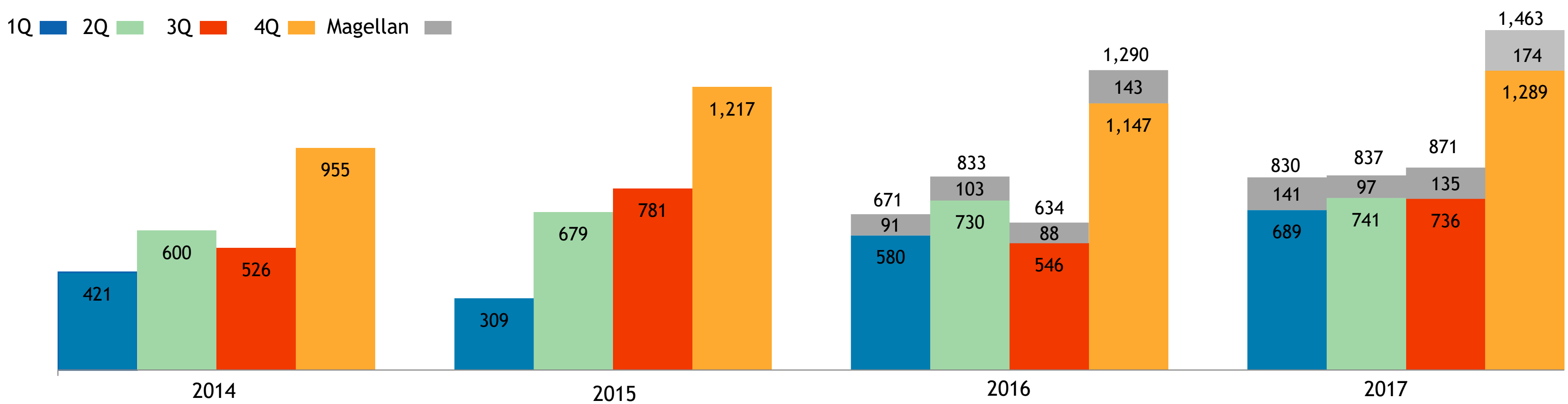
Appendix

Traditional Business Subject to Seasonality, with Peak in Q4

Loans Evolution by Quarter (BFF Ex Magellan) (€m)



Breakdown of Volumes by Quarter[(1)] (€bn)

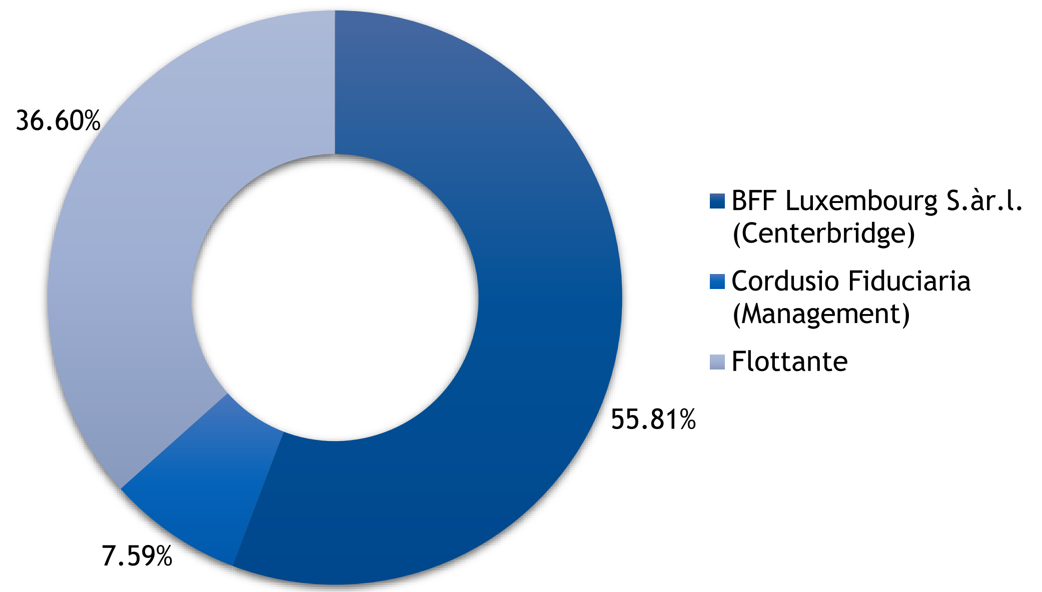


(1) 2016 Magellan New Business includes Spanish Branch New Business (€12m) and is converted to the 2016 average exchange rate PLN/€ 4,3632; 2017 Magellan New Business is converted to the relevant period average FX rate; 2016 and 2017 Magellan Loans are converted to the relevant end of period day FX rate.

Shareholders' structure

- Centerbridge owns 55.81% of BFF
- Management team (31 shareholders) among them owns 7.59% of BFF capital

Shareholders (%)



Source: shareholders' official communications to BFF