

PRESS RELEASE

BFF BANKING GROUP

The Board of Directors of BFF approved today the 9M18 consolidated financial statements of BFF Banking Group.

Highlights:

- **Adjusted Net Income of €58.0m in 9M18 (+6% y/y) for c. 31% Adjusted RoTE vs. 29% in 2017**
- **Adjusted Net Interest Income +8% and stock of unrecognized off balance sheet LPI at €362m (+3% vs 9M17)**
- Strong growth in business activity with **loans up 17% y/y and new business volumes up 17% y/y**
- **32% of customer loans outside Italy (27% as of September 2017)**
- **Ample excess liquidity with €0.5bn of committed undrawn funding and no recourse to ECB TLTRO or other emergency liquidity measure**
- **Strong capital position: Total Capital Ratio of 17.1% and Common Equity Tier I Ratio of 12.2%**, including mark to market effect on HTC&S portfolio and excluding €58m of net income of the period
- Low risk profile: **net NPLs/net loans at 1.2%** and **Cost of Risk annualized of 17bps**

Milan, 07 November 2018 – The Board of Directors of **BFF Banking Group (BFF)** approved today the 9M18 consolidated financial statements.

In 9M18 the group reported a net income of €58.0m (Reported Net Income), compared to €68.3m in 9M17 which included €13.7m of net positive extraordinary items and a high cash collection of late payment interests (“LPI”).

9M18 Adjusted Net Income is in line with the Reported Net Income at €58.0m, vs. 9M17 Adjusted Net Income of €54.6m. Both the 9M18 Adjusted and Reported Net Income account for (i) €0.8m of additional Tier II costs and €1.1m of provision on the Polish SME factoring portfolio in run off, which were not present in 9M2017, and (ii) €15m of lower cashed-in LPI compared to 9M17.

Adjusted Net Interest Income increased by +8% y/y, mainly driven by higher stock of net customer loans. The stock of unrecognized LPI off balance increased to €362m, +3% vs 9M17.

Costs have been kept under control with a cost/income ratio of 38% despite: *i.* the investments to establish a branch in Portugal and the freedom of service operations covering Greece and Croatia, and *ii.* the increase of employees in Poland in order to

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

bring in house some of BFF Italy processes that were outsourced, with net savings to be achieved in 2019.

Customer loans at the end of September 2018 amount to €3,026m, +17% compared to €2,596m at the end of September 2017. Volume of new business is up 17% y/y to €2,959m. At the end of September 2018, the international markets (Spain, Portugal, Poland, Slovakia, Czech Republic and Greece) accounted for 32% of loans (27% at the end of September 2017).

The Total Capital Ratio was 17.1% at the end of September 2018, above the company's 15% target, and the CET1 ratio was 12.2% confirming the Group's solid capital position and ability to organically fund growth and a strong dividend payout. Both ratios are calculated excluding the €58m of net income of the period, which would have increased both ratios by 287bps, and instead include the negative exchange rate and the mark to market effect on HTC&S portfolio.

The Group continues to enjoy a low risk profile, with net non performing loans at 1.2% of net customer loans (0.2% net of Italian municipalities in conservatorship – "*comuni in dissesto*") and an annualized cost of risk of 17bps (4bps net of BFF Polska's SME factoring business placed in run-off and Italian municipalities in conservatorship). In 9M17 annualized cost of risk was 12bps (6bps net of the same effects).

In the third quarter of 2018 the Group launched two new business initiatives to strengthen its commercial drive: *i.* a new partnership agreement with Pfizer to extend the credit management and collection services to its entire Italian pharma value chain, and *ii.* a new dynamic discount product through a digital platform developed in cooperation with FinDynamic. In the quarter, the Group also started the operations of the Portuguese branch, with the objective of further strengthening the business that has been conducted in that country on a cross border basis since 2014. During the same period BFF also filed with Bank of Italy for the opening of a banking branch in Poland (expected in 1Q/2Q 2018), to further diversify and reduce its Zloty cost of funding.

"BFF Banking Group reports once again growing earnings, strong capital, ample liquidity and growth in loans and volumes across the business and our geographies. The heightened uncertainty around sovereign finances and tighter liquidity conditions should provide our business more opportunities to grow. We are ready to support our customers across Europe in these turbulent times. We keep investing in our operating infrastructure and product range to provide further growth opportunities and an ever more disciplined control of risks" - commented **Massimiliano Belingheri, CEO of BFF.**

Key consolidated accounts items

Adjusted profitability

9M18 adjusted P&L numbers exclude the following items²:

- €1.5m after tax (€2.1m pre tax) positive impact in P/L from the change in €/PLN exchange rate on the acquisition loan for BFF Polska (previously Magellan), which is counterbalanced by a negative change in equity reserve (included in the capital ratios), reflecting the natural hedging between these two balance sheet items;
- €0.9m post tax (€1.3m pre tax) costs related to the accounting of the stock option plan: this item generates a positive equity reserve, with therefore no impact on Group equity;
- €0.5m post tax (€0.7m pre tax) costs related to the extraordinary contribution to the 2016 Resolution Fund.

9M17 adjusted P&L numbers excluded the following items²:

- €1.4m after tax (€2.0m pre tax) negative impact in P/L from the change in €/PLN exchange rate on the acquisition loan for the purchase of BFF Polska, which is counterbalanced by a positive change in equity reserve;
- €17.8m post tax (€25.2m pre tax) one-off income related to the change in LPI estimated recovery rate from 40% to 45%;
- €1.7m post tax (€2.4m pre tax) extraordinary costs related to the IPO. All IPO costs are now fully expensed;
- €1.1m post tax (€1.5m pre tax) costs related to stock option plan: this item generates a positive equity reserve, with therefore no impact on Group equity.

Main balance sheet data

Customer loans at the end of September 2018 amount to €3,026m (of which €702m related to BFF Polska), compared to €2,596m at the end of September 2017 (of which €545m related to BFF Polska), and up by 17% y/y. Customer loans in Spain more than doubled y/y (from €73m at the end of September 2017 to €162m) and in Italy are up +9% y/y (at €2,061m). International markets (Spain, Portugal, Poland, Czech Republic, Slovakia and Greece) account for 32% of loans. The residual amount of net SME factoring customer loans in run-off is equal to €3m at the end of September 2018 (down from €6m at the end of December 2017).

The Group saw strong business activity in the period, with overall **new business volumes**

² 2018 Exchange rate for Poland and Czech respectively PLN/€ 4,2488 and PLN/CZK 0,166 for P&L data (9M 2018 average), PLN/€ 4,2774 and PLN/CZK 0,166 for Balance Sheet data (28th September 2018); 2017 Exchange rate for Poland and Czech respectively PLN/€ 4,2648 and PLN/CZK 0,161 for P&L data (9M 2017 average), PLN/€ 4,3042 and PLN/CZK 0,166 for Balance Sheet data (29th September 2017).

of €2,959m (of which €385m related to BFF Polska), representing a 17% growth compared to 9M17 (€2,538m including €372m of BFF Polska). The growth was mainly driven by Italy (€2,032m, +8% y/y), Spain with more than double volume compare to 9M17 (€450m, +129% y/y) and Poland (€349m, +5% y/y). Business volumes in Slovakia decreased by -€9m y/y to €30m, partially compensated by an increase of +€5m of volumes in Czech Republic. Greece contributed for €7m. The volumes in Portugal are up at €85m (€81m in 9M17). The Portuguese branch, opened in July in Lisbon, should continue to support new business volumes growth going forward.

In the second quarter, the Group launched two **new business initiatives**:

- A new partnership agreement with Pfizer for the management and collection of the receivables towards pharmacies, private healthcare institutions and distributors in Italy. Thanks to this agreement, BFF will expand the credit collection management services to the entire Italian pharma value chain and will cover all the debtors (public and private) in the pharma segment in Italy. This agreement can be replicated with other customers in the pharma and medical devices sector, and give the opportunity to learn credit recovery in those new segments and potentially open new areas for non-recourse factoring in the future;
- A new dynamic discount solution that allows BFF's client to improve their efficiency in cash management offering their suppliers specific payment terms. The service is provided through a digital platform developed in cooperation with FinDynamic.

The Group **total available funding** amounts to €3,070m at the end of September 2018. Online deposits represent 31% of drawn funds and are equal to €795m as of September 2018, stable y/y despite strong reduction in offered yields. Following a marketing campaign in Spain, the deposits are already up to €871m as of 30 October 2018. The Group does not offer current accounts but only term deposits with no / limited prepayment options. Moreover, the Group has ample excess liquidity with undrawn funding available at the end of September 2018 equal to c. €0.5bn. The Group has no bond expiring before June 2020 (except for the residual €11m of BFF Polska's bond issued before the acquisition and expiring in the first nine months of 2019), and has not drawn ECB TLTRO or other emergency liquidity measure funding. None of BFF's funding lines are linked to the Italian government cost of funding or rating.

The Government bond portfolio (HTC e HTC&S) decreased to €1,119m at the end of September 2018, compared to €1,500m at the end of September 2017 (-25% y/y) and €1,222m at the end of December 2017. The negative mark to market at the end of September 2018 of the HTC&S portfolio was €6.9m after tax (already included in the equity), while for the HTC (not included in the equity) was €17.7m after tax. The duration of the entire portfolio is 34.4 months, 31.9 months for the HTC and 48.2 months for the HTC&S portfolio.

The Group maintains a very healthy liquidity position, with a Liquidity Coverage Ratio (LCR) of 167.5% at the end of September 2018. The Net Stable Funding Ratio and the leverage ratio, at the same date, are equal to 105.7% and 5.8% respectively¹.

Main profit and loss data

Adjusted net banking income reached €131.2m in 9M18, compared to €121.2m in 9M17, and **Adjusted net interest income** reached €126.0m in 9M18, €116.2m in 9M17, both driven by higher stock of net customer loans. Adjusted net interest income 9M18 includes in its interest expenses €1.0m of Tier II costs for the first 2 months of the years, not present in 9M17 since the bond was issued at the end of February 2017.

Adjusted interest income amount to €157.7m in 9M18 compared to €145.9m, driven mainly by higher stock of net customer loans and despite the lower LPI cashed-in.

The net LPI over-recovery³ accounted in P&L was higher y/y (€10.4m in 9M18 vs. €7.0m in 9M17) despite lower LPI cashed-in. In particular, cashed-in LPI were €54m in 9M18 and €69m in 9M17, and the net over-recovery³ was €3.4m higher compared to 9M17 thanks to the combined effect of *i.* higher LPI recovery rate and *ii.* lower rescheduling impact in 9M18 vs. 9M17.

At the end of September 2018, the **unrecognized off-balance sheet LPI fund** reached €362m, +3% higher than the stock at the end of September 2017. The total LPI fund amounts to €560m (+4% y/y).

Net interest margin on customer loans was 5.3% vs. 5.6% in 9M17 and the gross yield on customer loans 9M18 was 6.8%.

The average **cost of funding in 9M18** shows a reduction compared to the same period of last year: the combined figure (including BFF Polska) decreased from 2.03% in 9M17 to 1.79% in 9M18, which includes the Tier II bond cost for the entire period (only 7 months in 9M17). The interest expenses increased from €29.8m to €31.7m in 9M18, mainly due to: *i.* the impact of Tier II (€4.4m in 9M18, €3.4m in 9M17), *ii.* the one-off commission cost for €0.3m on the refinancing (at lower rate) of part of BFF Polska acquisition financing, *iii.* the increase of average drawn funding (from €2.3bn to €2.6bn, +12%) due to the growth of the loan portfolio and *iv.* the increase in Zloty funding which has a higher base rate (Wibor 3M 1.72% vs. Euribor 3M -0.318% as of 28th September 2018) and therefore a higher cost (BFF's Zloty funding cost is 3.44%).

BFF continues to have good access to the wholesale market at competitive rates, with

³ LPI over-recovery net of the re-scheduling impact. Re-scheduling impact: for receivables not collected within the expected maximum collection date, interest income is reduced by the amount of yield required to keep the IRR of the portfolio constant until the new expected collection rate. In particular, the value of the credit on the balance sheet is re-calculated using the new expected cash-flow schedule and the negative delta in value is booked in P&L to maintain the original IRR.

no funding costs linked to government bond yields and no ECB refinancing risk.

Moreover, the opening of the Polish branch (expected for 1Q/2Q19) would allow the collection of online deposits at a lower rate compared to our Zloty funding, thus further decreasing BFF's funding costs. In particular, the interest rate offered on 12-month deposits by the top 5 players in Poland is 2.1%⁴ on average vs. BFF's Zloty funding cost of 3.44% in 9M18 (3.86% in 9M17).

The operational structure remains efficient with an **adjusted cost/income ratio** of 38% compared to 37% in 9M17. In 9M18 **adjusted operating costs** were €50.0m, up +12% versus €44.7m in 9M17 and driven by (i) a +12% increase in the personnel costs (due to a larger employee base), and (ii) the Ordinary Resolution Fund and FITD expensed in 9M18 which was €2.3m in total (€1.7m in 9M17). Other operating expenses increased y/y to sustain growth. The employees at Group level increased from 411 at the end of September 2017 (of which 178 in BFF Polska) to 451 at the end of September 2018 (of which 200 for BFF Polska). The Group has already recruited the personnel required for establishment of Portuguese branch and for the Greek and Croatian operations in freedom of service. Some of the processes of BFF Italy, that were outsourced to Italian suppliers, are being brought in house in Poland with 16 employees as of 30th September 2018, with net savings to be achieved in 2019.

Loan loss provisions reached €3.8m in 9M18, versus €2.3m in 9M17, and include €1.3m of provision on the Polish SME factoring business placed in run-off and €1.5m of provision required on Italian municipalities in conservatorship ("*dissesto*"). The exposure to the Italian municipalities in conservatorship are classified as NPLs by Bank of Italy's regulation⁵ despite BFF being legally entitled to receive 100% of the capital and LPI at the end of the process. The cost of risk annualized was 17bps in 9M18 (4bps excluding 6bps related to the Polish SME factoring and 7bps related to the Italian municipalities in conservatorship) and 12bps in 9M17 (6bps excluding the Polish SME factoring and the Italian municipalities in conservatorship). The first-time adoption of the IFRS 9 accounting principle has a marginal positive one-off impact thanks to the public sector exposure and short term duration of the loan book.

Reported Net Income 9M18 was €58.0m compared to €68.3m for the same period of last year which include €13.7m of extraordinary net positive items. **9M18 Adjusted Net Income** is in line with the Reported Net Income and **equal to €58.0m**, +6% versus 9M17 Adjusted Net Income despite €15m of lower cashed-in LPI. The 9M18 Adjusted Net Income includes (all values post tax):

- €0.8m of Tier II cost for the first 2 months (not present in 9M17 since issued at the end of February 2017)
- €1.1m of provision related to BFF Polska's SME business placed in run-off at

⁴ Data as of 24 September 2018. Source: company's websites

⁵ Circolare n. 272 del 30 luglio 2008 – 10° aggiornamento.

the end of 2017

The RoTE for 9M18 is equal to 31%, vs. 29% in 2017 based on the Adjusted Net Income.

No earnings for the period have been set aside for capital and therefore the dividend capacity as of September 2018 is equal to €58m or €0.34 per share.

Capital ratios

The Group maintains a solid capital position with a 12.2% **CET1 ratio** (vs. SREP requirement of 7.175%) and a 17.1% **Total Capital ratio** (vs. SREP requirement of 11.375% and a group target of 15%) calculated on the Banking Group perimeter (pursuant to TUB – Testo Unico Bancario)⁶.

These ratios include the impact of the reduction in the rating of the Italian Republic to BBB (high) by the rating agency DBRS – the Group ECAI– on January 13, 2017. One notch Italian rating upgrade would move the risk weighting on the Italian exposure to NHS and other PA (different from local and central government) from 100% to 50% with a positive 2.6% increase on CET1 ratio and 3.6% on Total Capital ratio. On the other side, in order to have a negative impact on the risk weighting factor for the Italian public exposure to NHS and other PA, the Italian rating needs to be downgraded by 9 notches.

The above capital ratios do not include the €58m of net income of the period (equal to 287 bps of additional CET1 and total capital) and available for dividend distribution, and are net of the negative exchange rate and the HTC&S mark to market impact (respectively -11bps and -34bps).

The RWA density⁷ decrease from 70% as of September 2017 to 67% as of September 2018, thanks to a better loan mix, and despite the increase in past due and non performing loans. The Group uses the Basel Standard Model.

Asset quality

Superior asset quality is confirmed with a net non-performing loan / net loan ratio of 1.2% at end of September 2018, versus the 0.6% at end of December 2017 and 0.6% at end of September 2017. Net of Italian municipalities in conservatorship, the net NPL ratio is stable at 0.2%.

The increase in net NPL from €14.8m at end of September 2017 (€18.2m at the end of December 2017) to €36.0m at end of September 2018 is driven almost entirely by the growing activities towards the Italian Municipalities. In particular, the exposure to Italian Municipalities in conservatorship classified as NPLs at the end of September (classified

⁶ Considering the CRR Group perimeter, including the parent company BFF Luxembourg, the CET1 Ratio is 11.7% and the Total Capital ratio 16.1%. These ratios are subject to approval of the BFF Luxembourg S.à.r.l. accounts.

⁷ Calculated as RWA / customer loans.

as NPL as requested by Bank of Italy's regulation⁸, despite BFF is legally entitled to receive 100% of the capital and LPI at the end of the process) amount to €28.9m (€10.6m at end of September 2017 and €15.0m at the end of December 2017), and represent 80% of the total net NPL exposure at the same date. The aforementioned €28.9m of exposure to Italian municipalities in conservatorship includes €7.3m related to Italian municipalities already in conservatorship at the time of purchase. The NPL Coverage Ratio net of the municipalities in conservatorship is equal to 73% (86% at the end of December 2017 and 82% at the end of September 2017), while the Coverage Ratio including also the municipalities in conservatorship is equal to 39% (54% and 58% respectively at the end of December 2017 and September 2017).

Net past due, equal to €124.4m (€69.8m at year end 2017, and €72.7m in September 2017), are for 78% due from the Public Administration and public sector companies. Total impaired loans (non-performing, unlikely to pay, past due) – net of provisions – amounted to €170.8m (€94.7m at year end 2017, and €96.6m at September 2017) and are for 75% due from the Public Administration and public sector companies.

Significant events after the end of 9M18

There were no material events after the end of the quarter under review.

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.

⁸ Circolare n. 272 del 30 luglio 2008 – 10° aggiornamento.

Consolidated Balance Sheet *(Values in €)*

Assets	31.12.2017	30.09.2018
Cash and cash equivalents	80,932,835	13,229,779
Financial assets measured at fair value through profit or loss	545,846	
a) financial assets held for trading		
b) financial assets designated at fair value		
c) other financial assets mandatorily measured at fair value	545,846	
Financial assets measured at fair value through OCI	101,449,267	156,956,813
Financial assets measured at amortized cost	4,183,888,076	4,007,981,171
a) Due from banks	44,792,419	20,044,591
b) Due from customers	4,139,095,657	3,987,936,580
Hedging instruments	321,839	
Equity investments	260,893	206,667
Property, plant and equipment	12,794,887	12,211,671
Intangible assets of which:	26,034,157	24,962,165
- goodwill	22,146,189	22,146,189
Tax assets	30,917,074	19,669,206
a) current	25,883,920	10,628,504
b) deferred	5,033,154	9,040,702
Other assets	9,795,958	11,915,342
Total Assets	4,446,940,832	4,247,132,813

Liabilities and Equity	31.12.2017	30.09.2018
Financial liabilities measured at amortized cost	3,944,117,768	3,742,454,213
a) deposits from banks	657,992,541	834,607,145
b) deposits from customers	2,495,986,713	2,196,032,581
c) securities issued	790,138,514	711,814,486
Financial Liabilities Held for Trading	535,073	
Financial liabilities designated at fair value		
Hedging derivatives		
Tax liabilities	82,455,762	77,365,264
a) current	25,627,899	16,463,147
b) deferred	56,827,864	60,902,117
Other liabilities	49,683,022	91,455,515
Employee severance indemnities	848,138	873,639
Provisions for risks and charges:	5,445,278	4,418,277
a) guarantees provided and commitments		147,818
b) pension funds and similar obligations	4,366,009	3,357,346
c) other provisions	1,079,269	913,113
Valuation reserves	7,693,804	-1,290,284
Reserves	129,621,486	143,085,845
Share premium		
Share capital	130,982,698	130,982,698
Treasury shares		-256,341
Minority interests	10,000	
Profit for the year	95,547,803	58,043,987
Total Liabilities and Equity	4,446,940,832	4,247,132,813

Consolidated Income Statement *(Values in €)*

Item	9M 2017	9M 2018
Interest and similar income	171,126,500	157,650,221
Interest and similar expenses	-29,784,607	-31,671,410
Net interest income	141,341,893	125,978,811
Fee and commission income	5,869,972	5,712,998
Fee and commission expenses	-842,340	-856,600
Net fees and commissions	5,027,631	4,856,397
Dividend income and similar revenue	51,698	2,417
Gains/losses on trading	-2,676,558	2,015,807
Fair value adjustments in hedge accounting	30,144	110,652
Gains (losses) on disposals/repurchases of:		
a) financial assets measured at amortized cost		-459
b) financial assets measured at fair value through OCI	599,374	359,795
Operating income	144,374,182	133,323,420
Impairment losses/reversals on:		
a) receivables and loans	-2,300,617	-3,796,064
b) available-for-sale financial assets		-9,093
Net profit from banking activities	142,073,566	129,518,263
Net profit from financial and insurance activities	142,073,566	129,518,263
Administrative expenses:		
a) personnel costs	-21,664,769	-23,855,524
b) other administrative expenses	-24,543,429	-25,632,484
Net provisions for risks and charges:		
a) guarantees provided and commitments		19,768
b) pension funds and similar obligations	-1,163,964	-901,137
Net adjustments to/writebacks on property, plant and equipment	-1,069,761	-1,065,807
Net adjustments to/writebacks on intangible assets	-1,304,160	-1,423,215
Other operating income/expenses	2,624,569	2,240,016
Operating expenses	-47,121,513	-50,618,382
Profit before tax from continuing operations	94,952,053	78,899,880
Income taxes on profit from continuing operations	-26,635,831	-20,855,893
Profit after tax from continuing operations	68,316,222	58,043,987
Profit for the year	68,316,222	58,043,987
Profit for the year attributable to owners of the Parent Company	68,316,222	58,043,987

Consolidated Capital Adequacy – Banking Group TUB

€m	BFF BANKING GROUP - EX TUB		
	30.09.2017	31.12.2017	30.09.2018
Credit and Counterparty Risk	114.9	133.4	133.8
Market Risk	0.0	0.0	0.0
Operational Risk	29.8	28.0	28.0
Total Capital Requirements	144.7	161.4	161.7
Risk Weighted Assets (RWA)	1,808.7	2,017.9	2,021.8
CET I	253.5	254.0	247.6
Tier I	0.0	0.0	0.0
Tier II	98.2	98.2	98.2
Own Funds	351.7	352.2	345.8
<i>CET 1 Capital Ratio</i>	<i>14.0%</i>	<i>12.6%</i>	<i>12.2%</i>
<i>Tier I Capital ratio</i>	<i>14.0%</i>	<i>12.6%</i>	<i>12.2%</i>
<i>Total Capital Ratio</i>	<i>19.4%</i>	<i>17.5%</i>	<i>17.1%</i>

Asset quality reported data

	30.09.2018		
€'000	Gross	Provision	Net
Non performing - total	58,867	-22,866	36,001
Unlikely to pay	13,835	-3,399	10,436
Past due	125,321	-916	124,405
Total	198,022	-27,181	170,841

	30.06.2018		
€'000	Gross	Provision	Net
Non performing - total	51,917	-22,363	29,554
Unlikely to pay	12,615	-3,405	9,210
Past due	128,936	-607	128,328
Total	193,467	-26,375	167,093

	31.12.2017		
€'000	Gross	Provision	Net
Non performing - total	39,587	-21,412	18,175
Unlikely to pay	10,370	-3,610	6,760
Past due	69,935	-140	69,794
Total	119,892	-25,162	94,730

	30.09.2017		
€'000	Gross	Provision	Net
Non performing - total	35,319	-20,503	14,816
Unlikely to pay	9,711	-629	9,082
Past due	72,790	-83	72,706
Total	117,820	-21,215	96,604



BFF Banking Group

BFF Banking Group is the leading player in Europe in the management and nonrecourse factoring of receivables towards the Public Administrations, listed in the Milan Stock exchange. BFF Banking Group operates in Italy, Poland, Czech Republic, Slovakia, Spain, Portugal and Greece. In 2017 the Group's consolidated adjusted net profit was Euro 84 million and the CET1 ratio for the Banking Group at the end of September 2018 was 12.2%.

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