# BIt Market Services

| Informazione Regolamentata n. 0259-47-2015 | Data/Ora Ricezione 23 Settembre 2015 10:37:19 | MTA - Star |
|---|---|---|

| | | |
|---|---|---|
| Societa' | : | BANCA FINNAT EURAMERICA |
| Identificativo Informazione Regolamentata | : | 63373 |
| Nome utilizzatore | : | FINNATN06 - Ascani |
| Tipologia | : | AVVI 16 |
| Data/Ora Ricezione | : | 23 Settembre 2015 10:37:19 |
| Data/Ora Inizio Diffusione presunta | : | 23 Settembre 2015 10:52:20 |
| Oggetto | : | BANCA FINNAT PRESENTS ITS FINANCIAL RESULTS AT 30 JUNE 2015 AND ITS 2015-2017 BUSINESS PLAN TO THE FINANCIAL COMMUNITY |

*Testo del comunicato*

Vedi allegato.

BANCA FINNAT

**PRESS RELEASE**

**BANCA FINNAT PRESENTS ITS FINANCIAL RESULTS AT 30 JUNE 2015
AND ITS 2015-2017 BUSINESS PLAN
TO THE FINANCIAL COMMUNITY**

Rome, 23 September 2015 – Today, at 11 am, at its headquarters in Rome, Piazza del Gesù 49, Banca Finnat Euramerica S.p.A. will illustrate to the financial community the consolidated results achieved by the Group in the first half of 2015, as well as the guidelines and targets of its 2015-2017 Business Plan.

**Topics on the agenda**

The meeting will serve to highlight operating performance in the first half of 2015.
Total **assets under managerment (AUM)** are up by 29% to € 13.2 billion, compared to 31.12.2014, and are made up as follows: 51.2% are real estate funds (at their GAV), 40.2% are administered and trust accounts, 5.4% are discretionary managed portfolios, 3% are representative of funds collected directly from clients, and 0.2% are third-party insurance products. The analysis of the key consolidated income statement items shows that the **earnings margin** rose by 45% in the period, from € 21.28 million at 30 June 2014 to € 30.94 million, and how it was ***positively affected*** by the higher **net commissions** received, up by € 10.4 million (from € 11.15 million at 30 June 2014 to € 21.59 million al 30 June 2015), the higher **Dividends,** up by € 208 thousand, and the higher profit, up by € 1.02 million period-over-period, and by the **proprietary trading activities,** while it was ***negatively affected*** by an approx. € 2 million drop in the **interest margin,** as a result of the lower rate of return on investments.

BANCA FINNAT

The **group consolidated net profit** increased by approx. 90%, from € 2.19 million at 30 June 2014 to € 4.14 million.

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Half year 2015 Vs Half year 2014 (€/000)

| | 30.06.2014 | 30.06.2015 | % change |
|---|---|---|---|
| Interest margin | 7.007 | 4.995 | -29 |
| Dividends | 1.558 | 1.766 | 13,4 |
| Net commissions | 11.153 | 21.591 | 93,6 |
| Profit (loss) on proprietary trading activities | 1.566 | 2.585 | 65,1 |
| **Earnings margin** | **21.284** | **30.937** | **45,4** |
| Administrative expenses | -17.186 | -24.377 | 41,8 |
| Value adjustments (amortisation and depreciation) | -252 | -293 | 16,3 |
| Other operating income (expenses) | 1.027 | 2.092 | 103,7 |
| **Operating expenses** | **-16.411** | **-22.578** | **37,6** |
| Profit (loss) on equity investments | 165 | 91 | -44.8 |
| **Gross operating profit** | **5.038** | **8.450** | **67,7** |
| Adjustments to value of financial assets / receivables | -834 | -1.488 | 78,4 |
| **Net operating profit** | **4.204** | **6.962** | **65,6** |
| Income tax | -1.708 | -1.409 | -17.5 |
| Minority interest profit | -306 | -1.417 | 363,1 |
| **Net profit for the year** | **2.190** | **4.136** | **88,9** |

The figures highlight:

- a 94% rise in **net commissions** (from € 11,15 million to € 21.59 million)
- a 45% rise in the **earnings margin** (from € 21.28 million to € 30.94 million)
- a 38% rise in **operating expenses** (from € 16.41 million to € 22.6 million)
- a 68% rise in the **gross operating profit** (from € 5.04 million to € 8.45 million)

- an 89% rise in the **group consolidated net profit** from € 2.19 million recorded at 30 June 2014 to € 4.14 million.

Group highlights:

| | H12013 | H12014 | H12015 |
|---|---|---|---|
| Interest margin / Earnings margin | 37% | 32.9% | 16.1% |
| Net commissions / Earnings margin | 57.7% | 52.4% | 69.8% |
| Cost / income ratio | 79.3% | 77.1% | 73% |
| GOP / Earnings margin | 22.5% | 23.7% | 27.3% |
| Net operating profit / GOP | 88.6% | 83.4% | 82.4% |
| Net profit / GOP | 44.7% | 43.5% | 48.9% |

The impact of the interest margin on the earnings margin dropped by 32.9% to 16.1%, while the net commissions share of the earnings margin increased from 52.4% to 69.8%; the cost/income ratio improved by 410 b.p. from 77.1% in the first half of 2014 to the present 73%; the share of earnings margin available as the gross operating profit rose above 27%, while the share of gross operating profit available as net operating profit rose from 43.5% to 48.9%.

As for the breakdown of earnings:

- Commissions account for 69.8% of the earnings margin;
- The interest margin accounts for 16.1% of the total;
- Dividends and proprietary trading activities account for 14.1%.

Regarding the impact of operating business on the earnings margin:

- The contribution of owned assets is 22.2%
- Real estate funds account for 43.1%
- The weight of the private banking sector is equal to 21.7%
- The weight of institutional clients is equal to 7.5%
- Advisory & Corporate Finance and Trustee Services contribute to the revenues for 1.3% and 4.2%, respectively.

As for the guidelines set out in the **2015-2017 Group Business Plan:**

- **Loans to clients:** we expect an increase in the average rate of return and the interest margin.
- **Indirect deposits:** we expect to increase revenues, as a result of the increased client base and the development of managed products and remunerated consultancy activities.
- **Services to SMEs:** we expect to broaden our the services portfolio, develop and consolidate corporate consultancy activities and develop services for AIM Italia, with the aim to rise in the market leader rankings.
- **Real estate sector:** we expect to further develop our assets under management, increasing volumes and profitability.
- **Owned assets:** the aim is to develop current equity investments and assess growth strategies for external lines as well.

**At the consolidated level, the targets set out in the Plan include**:

- The **growth of indirect deposits** from the private banking sector, in excess of € 400 million, by adding a further 19 *Private Bankers* to the current team of 31.
- The **real estate assets managed by Investire SGR** are expected to rise, at the end of the Plan, to € 9.3 billion (valued at the GAV), from the present approx. 7 billion, with an increase in the number of managed funds from 35 to 43.
- Total **Group assets under management** are expected to rise, in the period in question, by 9% to approx. € 17 billion, from € 13 billion at 30.06.2015, while indirect deposits should rise from € 4.6 billion at 30.06.2015 to € 5.5 billion at the end of 2017, as a result of the growth in managed savings.
- **Revenues (earnings margin) at 2017** are expected to reach € 71.6 million, with a cost/income ratio at 70,8%, a **consolidato net profit** for the Group of € 8.8 million and a ROE at 3.9%.
- The **Tier 1** ratio and **Total Capital** ratio are expected to remain high throughout the period, to reach approx. 27% in 2017, in both cases.

**The manager in charge of preparing the corporate reports and accounting documents (Paolo Collettini) hereby states, pursuant to paragraph 2 of article 154bis of the Consolidated Law on Financial Intermediaries, that the disclosure provided in this press release is in keeping with the company's accounting records, books and entries.**

**(PURSUANT TO ARTICLE 66 OF CONSOB RESOLUTION NO.11971 OF 14 MAY 1999)**

## Availability of data and information

All the information, data and documents presented during the event will be available in Acrobat format on the bank website (www.bancafinnat.it), in the Investor Relations page.

*Contacts*

**BANCA FINNAT EURAMERICA S.p.A.** (www.bancafinnat.it)

IR Manager: Gian Franco Traverso Guicciardi – Tel. +39 06 699 331 E-mail: g.traverso@finnat.it

**PR and Press Officer –** Marco Fraquelli – Tel. +39 02 6249 9979 E-mail: fraquelli@secrp.it

| | |
|---|---|
| Fine Comunicato n.0259-47 | Numero di Pagine: 7 |