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Oggetto	:	The Board of Directors approves the consolidated interim report as at March 31, 2019

Testo del comunicato

Vedi allegato.

Press release

THE BOARD OF DIRECTORS APPROVES CONSOLIDATED INTERIM REPORT AS AT MARCH 31, 2019

Consolidated financial highlights as at March 31, 2019 compared with March 31, 2018 restated:[1]

- **Gross revenues: €54.4 million, +17%** on €46.4 million;
- Net revenues: €50.2 million, +21% on €41.4 million;
- **EBITDA excluding non-recurring items**[2] amounted to **€16.1 million** (**+39%** compared with €11.6 million in March 2018); EBITDA amounted to €15.2 million, +31% compared with €11.6 million;
- **EBITDA margin excluding non-recurring items** amounted to **30%,** up 5 points compared with 25% in 2018; the EBITDA margin amounted to 28% (25% in 2018);
- **Net profit excluding non-recurring items** amounted to **€8.3 million, +28%** compared with €6.5 million in March 2018; net profit amounted to €7.7 million, +19% compared with €6.5 million;
- **Net financial position: a positive (cash) €62.1 million,** in line with seasonal developments in working capital (a positive €67.9 million at December 31, 2018);
- **CET1**: 28.4% compared with 26.1% at December 31, 2018 (CET1 of CRR Group at 19.9% compared with 19.4% at December 31, 2018);

Portfolio under management

- **The gross book value of assets under management (GBV) amounted to €83.2 billion** (€82.2 billion at the end of 2018 and €87.5 billion in the first quarter of 2018), of which €81.4 billion in Italy and €1.8 billion in Greece. Assets under management expanded overall, reflecting the progressive onboarding of new servicing contracts totalling €2.3 billion in Italy, as well as €0.4 billion under existing contracts providing for new NPL flows. The latter figure increased compared with the first quarter of 2018.
- **Collections amounted to €403 million,** +8% compared with €374 million in the first quarter of 2018. The increase in collections reflects the substantial growth in assets acquired in recent quarters beginning in 2018. The efficiency of collections, expressed as the ratio of collections to end-period GBV, rose to 2.5% in the first quarter of 2019 compared with 2.4% in the year-earlier period, excluding new contracts still in the ramp-up phase (stock collection rate). Including new contracts, the ratio of collections to end-period GBV rose to 2.4% from 2.1% in the first quarter of 2018.

[1] Restated 2018 results: in order to ensure the comparability of 2019 figures, the effects of the application of the new IFRS 16 Leases as from January 1, 2019 have been included.
[2] Excluding non-recurring items connected with the launch of our new businesses, notably our operations in Greece and in the UTP segment, and part of the costs associated with the pending acquisition of Altamira Asset Management.

doBank S.p.A.

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Rome, May 9, 2019 – The Board of Directors of doBank S.p.A. (the "**Company**" or "**doBank**") today approved the Consolidated Interim Report as at March 31, 2019.

At March 31, 2019, doBank posted gross revenues of €54.4 million, an increase of 17% compared with €46.4 million in the first quarter of 2018.

Servicing revenues, the focus of the Group's operations and representing 89% of revenues, amounted to €48.5 million, compared with €41.9 million (+16%) a year earlier. The growth mainly reflected an increase in performance fees as a result of the growth in collections, as average fees were unchanged, and the increase in portfolio transfer indemnities from customers, including the Intesa portfolio, consistent with the typical structure of the contracts governing servicing relationships. By contrast, as a result of the trend in assets under management, revenues from base fees declined compared with the first quarter of 2018 (GBV at the end of the first quarter of 2018 amounted to €87.5 billion).

Revenues from co-investment and **revenues from ancillary products and minor activities** totalled €5.9 million, an increase of 33% compared with the year-earlier period, reaching 11% of revenues, compared with 10% in the first quarter of 2018. The positive performance also reflected the reimbursement of costs connected with the management of the contract with the four Greek systemic banks in the amount of about €1.2 million, as well as revenues from judicial management, data remediation, business information and master servicing.

Net r**evenues** amounted to €50.2 million at March 31, 2019, up 21% compared with the same period of 2018 (€41.4 million), with growth outpacing that in gross revenues as a result of a decrease in fee and commission expense to €4.2 million (€4.9 million in the first quarter of 2018) due to a decline in the use of outsourced services.

Operating expenses amounted to €35.0 million, an increase of 17% compared with €29.9 million in the first quarter of 2018. The figure includes non-recurring costs of €931 thousand connected with the corporate reorganisation, which among other aspects provides for doBank to become a servicing company governed by Article 115 of the Consolidated Public Security Act (TULPS), in line with what communicated, thereby ceasing to be a banking group, as well as the costs tied to the acquisition of Altamira Asset Management. The increase in staff expenses is attributable to an expansion in the workforce, reflecting operations in Greece and the development of UTP servicing in Italy. The increase in IT spending, which was in line with expectations, mainly reflects an increase in development activity for existing software applications as well as the shifting of certain projects originally planned for 2018 to 2019.

EBITDA excluding non-recurring items amounted to €16.1 million at the end of March 2019, an increase of about €4.5 million (+39%) compared with the same period of 2018 (€11.6 million). The latter figure has been restated following the introduction of IFRS 16 Leases as from January 1, 2019 (further details at page 7). As a percentage of revenues, EBITDA excluding non-recurring items improved by 5 points from 25% for the first quarter of 2018 to 30% for the first quarter of this year. Including the non-recurring costs incurred in the period (noted above), EBITDA would have amounted to €15.2 million, up 31% compared with the same period of 2018, when the EBITDA margin was 28%.

Net profit (losses) from equity investments made no contribution to performance for the period, unlike the year-earlier period when the item reflected the measurement at equity of the investment in BCC Gestione Crediti S.p.A., which was sold in the second half of 2018.

Net profit excluding non-recurring items at the end of March 2019 amounted to €8.3 million, up 28% compared with the €6.5 million posted at March 31, 2018. Net profit at March 31, 2019 amounted to €7.7 million, +19%.

Net working capital amounted to €83.7 million, an increase on the end of 2018 (€77.4 million), reflecting the typical seasonal pattern of the collections and payments cycle. The figure represents an increase of about €1 million compared with the end of March 2018, despite the increase of about €8 million in revenues. In line with developments in 2018, working capital is expected to continue to perform well, consistent with the increase in Investor customers in the portfolio, which have shorter payment times.

The **positive net financial position** (cash) amounted to €62.1 million at the end of March 2019, compared with €67.9 million at the end of 2018 and €48.4 million at the end of March 2018. Despite use of cash of about €6 million connected with the ordinary seasonal pattern in working capital, in the first three months of 2019 the generation of free cash flow amounted to €8.3 million. Finally, the figure includes an outlay for an opportunistic, non-recurring short-term investment in a non-performing position for which a favourable settlement agreement has been reached.

Deferred tax assets amounted to €78.7 million at March 31, 2019, slightly down compared with the end of 2018 (€81.4 million), mainly reflecting the reversal of assets on prior-year tax losses.

The **CET1 ratio** amounted to 28.4%, compared with 26.1% at December 31, 2018 (the CET1 ratio for the CRR Group was 19.9%, compared with 19.4% at December 31, 2018).

Portfolio under management

At March 31, 2019, the **Gross Book Value of assets under management (GBV) amounted to €83.2 billion** (€82.2 billion at the end of 2018 and €87.5 billion in the first quarter of 2018), of which €81.4 billion in Italy and €1.8 billion in Greece. The growth in assets under management reflected the onboarding of the portfolios received from the Iccrea Banking Group in the amount of about €2 billion and from the Banca Carige Group in the amount of about €0.3 billion. Other factors contributing to the total were €0.4 billion added under contracts with existing customers providing for new flows of NPLs and the effect of collections, cancellations and transfers of portfolios.

In the first quarter of 2019, collections on loans under management **amounted to €403 million**, an increase of 8% compared with the €374 million posted in the first quarter of 2018, reflecting the significant volume of portfolios onboarded since 2018.

The collection rate at the end of March 2019 (the ratio of collections in the last 12 months to end-period GBV), excluding new management contracts, was 2.5% (2.4% at March 31, 2018 and 2.5% at the end of December 2018). Including new servicing contracts, the indicator would be 2.4%, an increase from the 2.1% for the first quarter of 2018 and unchanged compared with the 2.4% registered at the end of 2018. The increasing efficiency of collections confirms the forecasts in the 2018-2020 Business Plan, including the target of raising the collection rate to more than 2.6% in 2020.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

There were no significant events following the close of the period.

OUTLOOK FOR OPERATIONS

Performance for the first quarter of 2019 confirms the objectives of the 2018-2020 Business Plan, presented in June 2018, which provides for the strengthening of doBank's leadership in the European credit servicing market.

In particular, the Group's revenues are forecast to grow between 8% and 9% on average between 2017 and 2020 (CAGR), with Group EBITDA increasing by over 15% a year on average in the same period and earnings per share rising even faster than EBITDA, with a dividend payout ratio of at least 65% of consolidated profit.

In consideration of the importance of the agreement for the acquisition of Altamira Asset Management (press release of December 31, 2018), the Group plans to update the Business Plan targets following the completion of the acquisition, which is expected to close by the end of the first half of 2019.

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Webcast conference call

The results as at March 31, 2018 will be presented on Friday, **May 10, at 11:30** in a conference call in audio-webcast format held by the Group's top management.

The conference call can be followed via webcast by connecting to the bank's website at www.dobank.com or the following URL: http://services.choruscall.eu/links/dobank190510.html.

As an alternative to the webcast, it will be possible to participate in the conference call by calling one of the following numbers:

ITALY: +39 02 805 88 11
UK: +44 121 281 8003
USA: +1 718 705 8794

The presentation by top management will be available as from the start of the conference call on the www.dobank.com site in the "Investor Relations/Financial Reports and Presentations" section.

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Certification of the financial reporting officer

Elena Gottardo, in her capacity as the officer responsible for preparing corporate accounting documents, certifies – pursuant to Article 154-bis, paragraph 2, of Legislative Decree 58/1998 (the Consolidated Financial Intermediation Act) – that the accounting information in this press release is consistent with the data in the accounting documentation, books and other accounting records.
The Consolidated Interim Report as at March 31, 2019 will be made available to the public at the Company's headquarters and at Borsa Italiana, as well as on the website www.dobank.com in the Investor Relations/Financial Reports and Presentations" section by the statutory deadlines.

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We inform you that doBank S.p.A. has adopted the simplified rules provided for in Articles 70, paragraph 8, and 71, paragraph 1-bis, of the Consob Issuers Regulation no. 11971/1999, subsequently amended, and has therefore exercised the option to derogate from compliance with the obligations to publish the information documents provided for in Articles 70, paragraph 6, and 71, paragraph 1, of that Regulation on the occasion of significant mergers, spin-offs, capital increases through the contribution of assets in kind, acquisitions and sales.

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doBank S.p.A.

doBank, listed on the Electronic Stock Market (*Mercato Telematico Azionario*) organised and operated by Borsa Italiana S.p.A. since July 2017, is a leader in Italy in the business of managing primarily non-performing loans. With more than 18 years of experience in the sector, the Group is a long-standing partner of leading financial institutions and national and international investors. It had a portfolio of assets under management of €82 billion (in terms of gross book value) at December 31, 2018. Managing all phases of the loan lifecycle with an advanced operational approach and the highest servicer ratings in Europe, in 2018 the Group had gross revenues of about €234 million, with an EBITDA margin of 36% (excluding non-recurring items) and strong cash generation.

Contact info

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€/000)

Condensed consolidated income statement	First Quarter 2019		First Quarter 2018 RESTATED [1]		Change Amount	Change %
Servicing revenues		48,457		41,947	6,510	16%
o/w Banks		*30,698*		*27,052*	*3,646*	*13%*
o/w Investors		*17,759*		*14,895*	*2,864*	*19%*
Co-investment revenues		167		236	*(69)*	*(29)%*
Ancillary and other revenues		5,731		4,202	*1,529*	*36%*
Gross Revenues		**54,355**		**46,385**	***7,970***	***17%***
Outsourcing fees		(4,195)		(4,942)	*747*	*(15)%*
Net revenues		**50,160**		**41,443**	***8,717***	***21%***
Staff expenses		(25,898)		(22,498)	*(3,400)*	*15%*
Administrative expenses		(9,089)		(7,387)	*(1,702)*	*23%*
Operating expenses		**(34,987)**		**(29,885)**	**(5,102)**	***17%***
EBITDA		**15,173**		**11,558**	**3,615**	**31%**
EBITDA Margin		*28%*		*25%*	*3%*	*12%*
Non-recurring items included in EBITDA [2]	*(931)*		-		*(931)*	*n.s.*
EBITDA excluding non-recurring items	***16,104***		***11,558***		**4,546**	***39%***
EBITDA Margin excluding non-recurring items	*30%*		*25%*		*5%*	*19%*
Impairment/Write-backs on property, plant, equipment and intangible assets		(1,646)		(1,194)	*(452)*	*38%*
Net Provisions for risks and charges		(266)		(212)	*(54)*	*25%*
Net Write-downs of loans		84		8	*76*	*n.s.*
Net income (losses) from investments		-		340	*(340)*	*(100)%*
EBIT		**13,345**		**10,500**	**2,845**	***27%***
Net financial interest and commissions		(115)		(96)	*(19)*	*20%*
EBT		**13,230**		**10,404**	**2,826**	***27%***
Income tax for the year		(5,518)		(3,917)	*(1,601)*	*41%*
Net Profit (Loss) attributable to the Group		**7,712**		**6,487**	**1,225**	**19%**
Non-recurring items included in Net Profit (Loss) attributable to the Group	*(574)*		-		**(574)**	*n.s.*
Net Profit (Loss) attributable to the Group excluding non-recurring items	***8,286***		***6,487***		***1,800***	***28%***
Earnings per share (Euro)		**0.10**		**0.08**	**0.02**	**19%**
Earnings per share excluding non-recurring items (Euro)	***0.11***		***0.08***		**0.02**	***27%***

[1] In order to enhance the comparability of the figures for 2019 with the figures in the income statement, the effects of the application of the new IFRS 16 Leases as from January 1, 2019 have been included. See also the separate reconciliation table.

[2] Non recurring items include costs related to the Group Reorganization project and to the agreement for the acquisition of Altamira Asset Management S.A.

RESTATEMENT OF THE CONSOLICATED INCOME STATEMENT AT MARCH 31, 2018, SPECIFYING THE IMPACT OF THE APPLICATION OF IFRS 16 LEASES

(€/000)

Condensed consolidated income statement	First Quarter 2018	IFRS 16 Impact	First Quarter 2018 RESTATED
Servicing revenues	41,947	-	41,947
Co-investment revenues	236	-	236
Ancillary and other revenues	4,202	-	4,202
Gross Revenues	**46,385**	**-**	**46,385**
Outsourcing fees	(4,942)	-	(4,942)
Net revenues	**41,443**	**-**	**41,443**
Staff expenses	(22,498)	-	(22,498)
Administrative expenses	(7,944)	557	(7,387)
o/w IT	*(2,765)*	*-*	*(2,765)*
o/w Real Estate	*(1,927)*	*528*	*(1,399)*
o/w SG&A	*(3,252)*	*29*	*(3,223)*
Operating expenses	**(30,442)**	**557**	**(29,885)**
EBITDA	**11,001**	**557**	**11,558**
EBITDA Margin	*24%*		*25%*
Impairment/Write-backs on property, plant, equipment and intangib	(559)	(635)	(1,194)
Net Provisions for risks and charges	(211)	(1)	(212)
Net Write-downs of loans	8	-	8
Net income (losses) from investments	340	-	340
EBIT	**10,579**	**(79)**	**10,500**
Net financial interest and commissions	(46)	(50)	(96)
EBT	**10,533**	**(129)**	**10,404**
Income tax for the year	(3,960)	43	(3,917)
Net Profit (Loss) attributable to the Group	**6,573**	**(86)**	**6,487**

CONSOLIDATED BALANCE SHEET

(€/000)

Condensed balance sheet	3/31/2019	12/31/2018	Change €	Change %
Cash and liquid securities	62,125	74,443	(12,318)	(17)%
Financial assets	49,998	36,312	13,686	38%
Tangible assets	13,755	2,810	10,945	n.s.
Intangible assets	8,338	8,327	11	0%
Tax assets	84,098	87,355	(3,257)	(4)%
Trade receiv ables	104,356	99,224	5,132	5%
Assets on disposal	10	710	(700)	(99)%
Other assets	10,242	7,855	2,387	30%
Total assets	**332,922**	**317,036**	**15,886**	**5%**
Trade payables	20,674	21,848	(1,174)	(5)%
Tax Liabilities	13,006	10,174	2,832	28%
Employee Termination Benefits	9,403	9,577	(174)	(2)%
Prov ision for risks and charges	23,003	20,754	2,249	11%
Liabilities on disposal	-	6,532	(6,532)	(100)%
Other liabilities	62,297	15,362	46,935	n.s.
Total Liabilities	**128,383**	**84,247**	**44,136**	**52%**
Share capital	41,280	41,280	-	n.s.
Reserv es	155,793	140,915	14,878	11%
Treasury shares	(246)	(246)	-	n.s.
Result for the period	7,712	50,840	(43,128)	(85)%
Total shareholders' equity	**204,539**	**232,789**	**(28,250)**	**(12)%**
Total liabilities and shareholders' equity	**332,922**	**317,036**	**15,886**	**5%**

STATEMENT OF CASH FLOW

(€/000)

Cash Flow	3/31/2019	3/31/2018
EBITDA	15,173	11,001
Capex	(805)	(439)
EBITDA-Capex	**14,368**	**10,562**
as % of EBITDA	95%	96%
Adjustment for accrual on share-based incentiv e system payments	1,308	1,607
Changes in NWC	(6,306)	(4,162)
Changes in other assets/liabilities	(1,118)	1,842
Operating Cash Flow	**8,252**	**9,849**
Tax paid (IRES/IRAP)	-	(46)
Free Cash Flow	**8,252**	**9,803**
(Inv estments)/div estments in financial assets	(14,038)	(73)
Equity (inv estments)/div estments	-	-
Div idend paid	-	-
Net Cash Flow of the period	**(5,786)**	**9,730**
Net financial Position - Beginning of period	67,911	38,605
Net financial Position - End of period	62,125	48,335
Change in Net Financial Position	**(5,786)**	**9,730**

ALTERNATIVE PERFORMANCE INDICATORS

(€/000)

Key performance indicators	3/31/2019	3/31/2018 RESTATED [1]	12/31/2018
Gross Book Value Italy (Eop) - in millions of Euro -	81,404	87,523	82,179
Gross Book Value Greece (Eop) - in millions of Euro -	1,800	-	-
Collections for the period - in millions of Euro -	403	374	1,961
Collections for the Last Twelve Months (LTM) - in millions of Euro -	1,990	1,817	1,964
LTM Collections/GBV (EoP)	2.4%	2.1%	2.4%
LTM Collections Stock/GBV Stock (EoP)	2.5%	2.4%	2.5%
Staff FTE/Total FTE	38%	37%	39%
LTM Collections/Servicing FTE	2,766	2,523	2,668
Cost/Income ratio	70%	72%	61%
EBITDA	15,173	11,558	81,293
Non-recurring items	(931)	-	(2,712)
EBITDA excluding non-recurring items	16,104	11,558	84,005
EBT	13,230	10,404	80,202
EBITDA Margin	28%	25%	35%
EBITDA Margin excluding non-recurring items	30%	25%	36%
EBT Margin	24%	22%	34%
Earning per share (Euro)	0.10	8%	0.65
Earning per share excluding non-recurring items (Euro)	0.11	8%	0.67
EBITDA – Capex	14,368	11,119	75,885
Net Working Capital	83,682	82,427	77,376
Net Financial Position of cash/(debt)	62,125	48,335	67,911

[1] In order to enhance the comparability of the figures for 2019 with the figures in the income statement, the effects of the application of the new IFRS 16 Leases as from January 1, 2019 have been included. See also the separate reconciliation table.

Fine Comunicato n.1967-32	Numero di Pagine: 12