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2019, Update to Financial Calendar and
Other Resolutions

Testo del comunicato

Vedi allegato.

Press release

BOARD OF DIRECTORS MEETING

APPROVAL OF DRAFT FINANCIAL STATEMENTS FOR 2019, UPDATE TO FINANCIAL CALENDAR AND OTHER RESOLUTIONS

Rome, 20 March 2020 – Confirming the preliminary results disclosed on February 13, 2020, the Board of Directors of doValue S.p.A. (the “Company” or “doValue”) today approved the draft financial statements, which will be submitted to the approval of the Shareholders’ Meeting, and the consolidated financial statements at December 31, 2019.

- **Portfolio under management of €131.5 billion (gross book value), +60%** compared with €82.2 billion at the end of 2018;
- New assets under management of over €13 billion;
- **Gross revenues of €363.8 million, up +56%** compared with €233.1 million in 2018;
- Net revenues of €323.7 million, +54% compared with €209.6 million;
- **EBITDA excluding non-recurring items amounted to €140.4 million, +62%** compared with €86.5 million; EBITDA margin excluding non-recurring items equal to 39%, an increase compared with 37% for 2018;
- **Net profit attributable to the shareholders of the parent company** excluding non-recurring items equal to €69.1 million, **up +32%** compared with €52.3 million in 2018¹; net profit amounted to €38.3 million, -24% compared with €50.5 million in 2018;
- Net financial position of €236.5 million, an improvement on the €257.5 million registered at September 30, 2019 and €319.7 million at June 30, 2019 (net cash position of €68.1 million at the end of 2018); **free cash flow generation at approximately €118 million**;
- Pro forma leverage (net financial position as a ratio of EBITDA) improving and equal to 1.3x, exceeding the 2019 target of 1.5x, confirming the **rapid reduction in leverage** compared with 1.8x at the end of June 2019 and 2x at the end of 2018.

In light of the Italian Law Decree “Cura Italia”, enacted on March 17, 2020, the Board of Directors of the Company has resolved a modification to the financial calendar for the year 2020, setting forth the date for the Shareholders’ Meeting between May 24 and June 30. Given the current evolving circumstances resulting from the Coronavirus epidemic, especially the duration of the measures, adopted by the main countries in Southern Europe, that reduce the activity of the court system and other services of public utility, and considering the updated financial calendar, the Board has considered the best course of action to postpone the decision on the dividend distribution, in the expectation of having more information on which to resolve on the matter.

¹ 2018 results restated: including the effects of the application of the new IFRS 16 Leases as from January 1, 2019.

doValue S.p.A.

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As from the second half of 2019, doValue's income statement reflects the consolidation of Altamira Asset Management, the acquisition of which was completed at the end of June 2019. The following discussion is accompanied by remarks on a comparison of the actual figures for 2019 with the "aggregate" data for 2018 including the contribution of Altamira Asset Management, shown in the appendix.

In 2019, doValue posted gross revenues of €363.8 million, up 56% compared with €233.1 million in 2018, (the 2018 aggregate figure came to €362.7 million).

Revenues from servicing NPL, UTP and REO assets, the main activity of doValue and equal to 90% of consolidated revenues, amounted to €325.9 million compared with €205.5 million (+59%) the previous year (the 2018 aggregate figure came to €328.3 million). The performance of servicing revenues, which were broadly unchanged compared with the 2018 aggregate figures, was buoyed by real estate services, which more than offset the slight decline in revenues from servicing NPLs. Base fees and customer portfolio transfer indemnities also were up.

Revenues from co-investment and revenues from ancillary products and minor activities, equal to €38.0 million, were up 38% compared with 2018, amounting to 10% of revenues, compared with 12% in 2018 (+10% growth compared with the 2018 aggregate figure). The decline in the proportion of revenues from ancillary products compared with 2018 reflects the contribution of Altamira Asset Management, which performs real estate asset servicing as its primary activity, which is not classified under ancillary products.

Net revenues amounted to €323.7 million in 2019, up 54% compared with 2018 (€209.6 million; the 2018 aggregate figure was €319.3 million). During the period, fee and commission expense connected with REO servicing rose, in line with the development of the business, as a result of the increase in assets under management following the acquisition of Altamira Asset Management. Compared with the 2018 aggregate figure, NPL fee and commission expense decreased by 24%, enabling net revenues to increase more than gross revenues.

Operating expenses amounted to €195.9 million (€125.8 million in 2018, €184.4 million for the 2018 aggregate figures) and include non-recurring items of about €12.7 million, reported under general expenses. Non-recurring items are mainly linked to the acquisition of Altamira Asset Management and the corporate reorganisation process through which doValue has become a servicing company governed by Article 115 of the of the Consolidated Public Security Act (TULPS), ceasing to be a banking group.

Compared with 2018 aggregate operating expenses, the slight increase in IT costs (€20.3 million in 2019 compared with €18.7 million) is attributable to the development of Group software applications, expensed in the P&L, while the increase in staff expenses (€133.7 million compared with €129.5 million) is related to the growth in the number of personnel employed in developing activities in Greece and UTP servicing operations in Italy. As announced in connection with the update of the Business Plan last November, initiatives aimed at reducing personnel costs for 2019 have been completed, mainly through early termination incentives, with the effects becoming fully visible in 2020.

EBITDA before non-recurring items amounted to €140.4 million, an increase of €54 million (+62%) compared with 2018 (€86.5 million; €137.8 million for the 2018 aggregate figures). As a percentage of revenues, EBITDA before non-recurring items improved from 37% in 2018 to 39%. Including non-recurring items recorded in the period, which are discussed above, EBITDA would be €127.8 million (€83.8 million in 2018; €134.8 million for the 2018 aggregate figures).



Net profit before non-recurring items amounted to €69.1 million, up 32% compared with €52.3 million in 2018 (€50.5 million for the 2018 aggregate figures). Net profit amounted to €38.3 million (€50.5 million in 2018, €47.5 million for the 2018 aggregate figures).

Net working capital amounted to €130.0 million, up slightly on the end of September 2019 (€123.2 million), reflecting the normal seasonal variation in the collection-payment cycle. The amount reflects the expansion of the scope of consolidation with the inclusion of Altamira Asset Management (net working capital of €77.4 million at the end of December 2018).

The **net financial position** was a negative €236.5 million, a progressive improvement compared with the end of September, when it was a negative €257.5 million, and the end of June, when it came to a negative €319.7 million. The trend is reflected in an improvement in leverage, expressed by the ratio between net debt and EBITDA, down to 1.3x as of year-end 2019 compared with 1.8x at the end of June 2019, therefore exceeding the target of 1.5x. The negative net financial position compared with the net cash position of €68.1 million at the end of 2018 is due to the disbursement for the acquisition of Altamira Asset Management, which was completed in June 2019, and to the payment of dividends of €36.3 million. The generation of free cash flow in the first nine months of 2019 was particularly positive, amounting to €118 million and with a cash conversion rate (EBITDA-Capex in relation to EBITDA) of 93%.

Deferred tax assets amounted to €90.7 million at December 31, 2019, up slightly compared with the end of 2018 (€81.4 million) due to the contribution of Altamira Asset Management and despite the reversal for previous tax losses.

Assets under management

At the end of 2019, the **portfolio under management** (GBV) by the Group in the five markets of Italy, Spain, Portugal, Greece and Cyprus **amounted to €131.5 billion** (€82.2 billion at the end of 2018 and an aggregate €138.6 billion at the end of 2018 including the contribution of Altamira Asset Management).

During the year, the portfolio under management saw the on-boarding of more than €13 billion in new contracts signed as from the second half of 2018, with the inclusion of new bank customers and new investor customers in all the main markets. The amount includes about €4.8 billion in loans under management from existing long-term flow agreements, thanks to new assignments in Spain, Italy and Cyprus. The value of the portfolio under management at the end of 2019 does not include the contract signed with Alpha Bank in Cyprus, equal to about €4.3 billion not including future assignments, which would increase the portfolio to €135.8 billion.

Group collections in 2019 amounted to €5.6 billion, up 26% compared with the aggregate €4.1 billion in 2018 on a like-for-like basis. Collections on loans under management in Italy amounted to €1,893 million, compared with €1,962 million in 2018. The performance is linked to the decline in the GBV under management (from €82.2 billion to €78.8 billion) and the impact of the structuring of a significant loan securitization transaction of a Group customer, which in the third quarter of the year significantly limited activity in respect of certain positions.

The collection rate for 2019 (collections in the last 12 months compared with the GBV at the end of the period), excluding new contracts under management, was equal to 2.5%, in line with the previous year.

FINANCIAL RESULTS OF doValue S.p.A. SEPARATE FINANCIAL STATEMENTS

The Board of Directors has also approved the financial statements for the fiscal year 2019 of the group parent company doValue S.p.A., which reported net revenues equal to € 193,9 million (€147,7 million in 2018), EBITDA equal to € 69,2 million (€52,5 million in 2019) and Net Income, after taxes and excluding non-recurring items, equal to € 56,9 million (€45,1 million in 2018).

UPDATE TO FINANCIAL CALENDAR AND DISTRIBUTION OF DIVIDENDS

In light of the Italian Law Decree “Cura Italia”, enacted on March 17, 2020, the Board of Directors of the Company resolved to update the financial calendar for 2019. The BoD has considered, as foreseen by the Decree, that the date of the Shareholder’s Meeting to approve the draft financial statements as at December 31, 2019, may be set in a ampler timeframe, within 180 days of the end of business year. To this end, the Board has given mandate to the President to proceed with the call of the Ordinary Shareholders Meeting in a date between May 24 and June 30, 2020. The relating information, including the meeting call notice, will be made available in the coming days and, in any event, by the statutory deadlines.

Notwithstanding the soundness of the Group’s balance sheet and liquidity position, the BoD has considered it appropriate to postpone the decision on dividend distribution, in light of the evolution of current events in connection with the Coronavirus epidemic and of the abovementioned updated financial calendar.

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE PERIOD

Outsourcing of functions

In the first three months of the year a project was activated, which is still in a phase of study and analysis, aimed at assessing the opportunity to outsource the Information Technology and Back Office Operations functions to a specialist Business Process Outsourcing operator, also in the light of the Group’s progressive international expansion. This initiative has the objective to improve the operational performance of the Group for the purpose of executing evolving projects mainly in the Information Technology area and of achieving financial savings, which allow to reduce the Group overall operating expenses and investments for the same level of services and projects carried out, and to allow increased flexibility also to support the synergies foreseen in the integration plan with Altamira.

Coronavirus outbreak

On January 30, 2020 the World Health Organization declared an international emergency as a consequence of the Coronavirus epidemic, causing the slowdown or suspension of economic and commercial activities in many sectors. Because of this international health emergency there are uncertainties linked to the consequences of the possible economic effects deriving from the diffusion of the coronavirus in the world, in Europe and in Italy which depend, especially, on the duration of the epidemic and on the measures put in place to contain it. It expected, therefore, that the macroeconomic scenarios in the short term would be subject to evolutions and dynamics which at present are not precisely quantifiable.

However, based on the information available as of today, considering the actions already put in place to safeguard the operational continuity and taking into account the type of business of the Group, structurally flexible in respect to the various phases of the economic cycle, as further explained in the following paragraph “Outlook for operations”, it is considered that there is no relevant risk today which could lead to the adjustment of the value of assets and liabilities presented in the current report. In particular regarding the intangible assets in the balance sheet, related to the acquisition of Altamira Asset Management, the current internal sensitivity analysis confirms that, even in the event of a contraction of profitability expectations in the short term, the sustainability of the assets in the balance sheet is confirmed and therefore there is no evidence today that would point to a possible loss in value.

OUTLOOK FOR OPERATIONS

The update to the 2020-2022 Business Plan, presented on November 8, 2019, outlines a path of organic medium-long term growth based on structural trends in the market for the servicing of loans and real estate assets in southern Europe, an area in which doValue is the market leader.



The current economic situation linked to the effects of Coronavirus, which is not anticipated to translate into structural changes in the sector dynamics, imposes a cautious approach about short term performance, in a context with limited visibility. In particular, despite the operational continuity of doValue's operations in all its markets, the Group carefully monitors the activity of the judicial system and of public utility services generally, together with decisions on banking moratoria and dynamics in the property market, able to influence management timelines for loan files and collections.

The Group's seasonality of collections, concentrated on the last quarter of the year, the significant geographical, product and customer diversification and the flexibility of costs, in particular outsourcing costs and employee incentive schemes, represent elements for the mitigation of short-term negative impacts, in the expectation of a potential recovery in the third and fourth quarter of the year. It should be noted, moreover, that in the first months of 2020 there has been a positive trend in the growth of NPL flows deriving from long-term contracts with our main banking clients, especially in Italy, to the tune of +17%, and in Spain, for more than +100% also considering the inflows from Banco Popular.

Lastly, it is deemed that the doValue's business model can respond to the different phases of the economic cycle with the expansion of GBV under management or collections, respectively in a contraction or expansion phase of the same cycle, in accordance with the Group's mission to support banks, investors, companies and private individuals in all stages of credit management, promoting a sustainable development of the financial system. More information on performance in 2020 will be provided during the year.

OTHER RESOLUTIONS OF THE BOARD OF DIRECTORS

During today's meeting, the Board of Directors has also performed the periodic verification of the independence requirements set forth by articles 174-ter, fourth paragraph and 148, third paragraph of Legislative Decree 58/1998 (TUF or Testo Unico Della Finanza) and article 3 of the Corporate Governance Code for listed companies. In particular the Board has established the independence requirements, according to the "Codice di Autodisciplina delle società quotate" and article 147-ter of the TUF, for directors Giovanni Castellaneta, Nunzio Guglielmino, Giovanni Lo Storto and Giovanni Battista Dagnino, as per their declarations.

Finally, all members of the Board of Statutory Auditors continue to maintain all independence requirements set forth by article 148, third paragraph, of the TUF.

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.

All the documents submitted to the approval of the Shareholders' Meeting, including the Annual Financial Report as at December 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.doValue.it in the Investor Relations/Financial Reports and Presentations" section by the statutory deadlines.

We inform you that doValue 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.



doValue S.p.A.

doValue, formerly doBank S.p.A., is the leading operator in Southern Europe in credit management and real estate services for banks and investors.

Present in Italy, Spain, Portugal, Greece and Cyprus, doValue has over 18 years of industry experience and manages assets of about €140 billion (gross book value) with over 2,200 employees and an integrated range of services: special servicing, master servicing, real estate management and other credit management services.

doValue is listed on the Electronic Stock Market (Mercato Telematico Azionario) operated by Borsa Italiana S.p.A. and, including the acquisition of Altamira Asset Management, recorded gross revenues in 2018 of about €490 million with an EBITDA margin of 37%.

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RECLASSIFIED CONSOLIDATED INCOME STATEMENT

(€'000)

	12/31/2019	12/31/2018 RESTATED ⁽¹⁾	Change	Change %
NPL revenues	268,034	205,538	62,496	30%
REO revenues	57,830	-	57,830	n.s.
Co-investment revenues	564	911	(347)	-38%
Ancillary and other revenues	37,410	26,694	10,716	40%
Gross revenues	363,838	233,143	130,695	56%
NPL Outsourcing fees	(19,855)	(18,586)	(1,269)	7%
Ancillary Outsourcing fees	(7,628)	(4,970)	(2,658)	53%
REO Outsourcing fees	(12,675)	-	(12,675)	n.s.
Legal Outsourcing fees	-	-	-	n.s.
Net revenues	323,680	209,587	114,093	54%
Staff expenses ⁽³⁾	(133,658)	(94,054)	(39,604)	42%
Administrative expenses	(62,256)	(31,764)	(30,492)	96%
o/w: IT	(20,297)	(13,576)	(6,721)	50%
o/w: Real Estate	(5,192)	(6,055)	863	-14%
o/w: SG&A	(36,767)	(12,133)	(24,634)	n.s.
Operating expenses	(195,914)	(125,818)	(70,096)	56%
EBITDA	127,766	83,769	43,997	53%
EBITDA margin	35%	36%	-1%	-2%
Non-recurring items included in EBITDA ⁽²⁾	(12,676)	(2,712)	(9,964)	n.s.
EBITDA excluding non-recurring items	140,442	86,481	53,961	62%
EBITDA Margin excluding non-recurring items	39%	37%	2%	4%
Net write-downs on property, plant, equipment and intangibles	(39,991)	(5,536)	(34,455)	n.s.
Net provisions for risks and charges	(10,732)	(317)	(10,415)	n.s.
Net write-downs of loans	815	861	(46)	-5%
Profit (loss) from equity investments	-	919	(919)	-100%
EBIT	77,858	79,696	(1,838)	-2%
Net income (loss) on financial assets and liabilities measured at fair value	806	418	388	93%
Financial interest and commissions	(7,459)	(432)	(7,027)	n.s.
EBT	71,205	79,682	(8,477)	-11%
Non-recurring items included in EBT	(23,949)	-	(23,949)	n.s.
EBT excluding non-recurring items	95,154	79,682	15,472	19%
Income tax for the period	(29,826)	(29,184)	(642)	2%
Profit (loss) of assets sold and held for sale net of tax	-	-	-	n.s.
PROFIT (LOSS) FOR THE PERIOD	41,379	50,498	(9,119)	-18%
Profit (loss) for the period attributable to Non-controlling interests	(3,061)	-	(3,061)	n.s.
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	38,318	50,498	(12,180)	-24%
Non-recurring items included in Profit (loss) for the period attributable to the Shareholders of the Parent Company ⁽³⁾	(31,135)	(1,784)	(29,351)	n.s.
Non-recurring items included in Profit (loss) for the period attributable to Non-controlling interest	(391)	-	(391)	n.s.
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	69,062	52,282	16,780	32%
Profit (loss) for the period attributable to Non-controlling interests excluding non-recurring items	3,452	-	3,452	n.s.
Earnings per share (in Euro)	0.48	0.63	(0.2)	-24%
<i>Earnings per share excluding non-recurring items (Euro)</i>	<i>0.86</i>	<i>0.65</i>	<i>0.21</i>	<i>32%</i>

⁽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 in Operating expenses include the costs connected with the acquisition of Altamira Asset Management S.A. and those incurred for the Group reorganisation project

⁽³⁾ Non-recurring items included below EBITDA refer to (i) termination incentive plans that have therefore been reclassified from personnel expenses, and (ii) income taxes mainly referred to the cancellation of deferred tax assets following the change in the rate as part of the debanking process

RECLASSIFIED CONSOLIDATED INCOME STATEMENT – 2018 AGGREGATE DATA AT CONSTANT PERIMETER OF CONSOLIDATION TO INCLUDE THE ACQUISITION OF ALTAMIRA AM

(€'000)

	31/12/2019	31/12/2018 AGGREGATE ⁽¹⁾	Change	Change %
NPL revenues	268,034	273,584	(5,550)	-2%
REO revenues	57,830	54,704	3,126	6%
Co- investment revenues	564	911	(347)	-38%
Ancillary and other revenues	37,410	33,530	3,880	12%
Gross revenues	363,838	362,729	1,109	0%
NPL Outsourcing fees	(19,855)	(26,249)	6,394	-24%
Ancillary Outsourcing fees	(7,628)	(5,976)	(1,652)	28%
REO Outsourcing fees	(12,675)	(11,245)	(1,430)	13%
Net revenues	323,680	319,259	4,421	1%
Staff expenses ⁽³⁾	(133,658)	(129,473)	(4,185)	3%
Administrative expenses	(62,256)	(54,943)	(7,313)	13%
o/w: IT	(20,297)	(18,750)	(1,547)	8%
o/w: Real Estate	(5,192)	(7,973)	2,781	-35%
o/w: SG&A	(36,767)	(28,220)	(8,547)	30%
Operating expenses	(195,914)	(184,416)	(11,498)	6%
EBITDA	127,766	134,843	(7,077)	-5%
EBITDA margin	35%	37%	-2%	-6%
Non- recurring items included in EBITDA ⁽²⁾	(12,676)	(2,932)	(9,744)	n.s.
EBITDA excluding non- recurring items	140,442	137,775	2,667	2%
EBITDA Margin excluding non- recurring items	39%	38%	1%	2%
Net writedowns on property, plant, equipment and intangibles	(39,991)	(53,192)	13,201	-25%
Net provisions for risks and charges	(10,732)	(1,886)	(8,846)	n.s.
Net writedowns of loans	815	861	(46)	-5%
Profit (loss) from equity investments	-	919	(919)	-100%
EBIT	77,858	81,545	(3,687)	-5%
Net income (loss) on financial assets and liabilities measured at fair value	806	418	388	93%
Financial interest and commissions	(7,459)	(7,532)	73	-1%
EBT	71,205	74,431	(3,226)	-4%
Non- recurring items included in EBT	(23,949)	(4,621)	(19,328)	n.s.
EBT excluding non- recurring items	95,154	79,052	16,102	20%
Income tax for the period	(29,826)	(26,567)	(3,259)	12%
Profit (loss) of assets sold and held for sale net of tax	-	-	-	n.s.
PROFIT (LOSS) FOR THE PERIOD	41,379	47,864	(6,485)	-14%
interests	(3,061)	(395)	(2,666)	n.s.
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT	38,318	47,469	(9,151)	-19%
Non- recurring items included in Profit (loss) for the period attributable to the Shareholders of the Parent Company ⁽³⁾	(31,135)	(3,216)	(27,919)	n.s.
Non- recurring items included in Profit (loss) for the period attributable to Non- controlling interest	(391)	(215)	(176)	1
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non- recurring items	69,062	50,470	18,592	37%
Profit (loss) for the period attributable to Non- controlling interests excluding non- recurring items	3,452	610	2,842	n.s.
Earnings per share (in Euro)	0.48	0.59	(0.1)	-19%
<i>Earnings per share excluding non- recurring items (Euro)</i>	<i>0.86</i>	<i>0.63</i>	<i>0.23</i>	<i>37%</i>

⁽¹⁾ In order to make the 2019 data more comparable, the Altamira group data were included in the 2018 data

⁽²⁾ Non- recurring items in Operating expenses include the costs connected with the acquisition of Altamira Asset Management S.A.. And those incurred for the Group reorganisation project

⁽³⁾ Non- recurring items included below EBITDA refer to (i) termination incentive plans that have therefore been reclassified from personnel expenses, and (ii) income taxes mainly referred to the cancellation of deferred tax assets following the change in the rate as part of the debanking process

CONSOLIDATED BALANCE SHEET

(€1000)

	31/12/2019	31/12/2018	Change	%
Cash and liquid securities	128,162	74,630	53,532	72%
Financial assets	48,609	36,139	12,470	35%
Equity investments	-	-	-	n.s.
Property, plant and equipment	23,904	4,290	19,614	n.s.
Intangible assets	340,879	6,847	334,032	n.s.
Tax assets	98,554	87,356	11,198	13%
Trade receivables	176,991	99,224	77,767	78%
Assets held for sale	10	710	(700)	(99)%
Other assets	13,578	7,840	5,738	73%
TOTAL ASSETS	830,687	317,036	513,651	n.s.
Financial liabilities: due to banks	364,627	-	364,627	n.s.
Other financial liabilities	92,036	294	91,742	n.s.
Trade payables	46,969	21,848	25,121	115%
Tax Liabilities	42,347	11,090	31,257	n.s.
Employee Termination Benefits	8,544	9,577	(1,033)	(11)%
Provision for risks and charges	25,669	20,754	4,915	24%
Liabilities held for sale	-	6,532	(6,532)	(100)%
Other liabilities	25,196	14,152	11,044	78%
TOTAL LIABILITIES	605,388	84,247	521,141	n.s.
Share capital	41,280	41,280	-	n.s.
Reserves	145,885	140,915	4,970	4%
Treasury shares	(184)	(246)	62	(25)%
Profit (loss) for the period attributable to the Shareholders of the Parent Company	38,318	50,840	(12,522)	(25)%
NET EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	225,299	232,789	(7,490)	(3)%
TOTAL LIABILITIES AND NET EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY	830,687	317,036	513,651	n.s.
TOTAL LIABILITIES AND NET EQUITY	830,687	317,036	513,651	n.s.

STATEMENT OF CASH FLOWS

(€1000)

	12/31/2019	12/31/2018
EBITDA	127,766	81,293
Capex	(8,352)	(5,408)
EBITDA - Capex	119,414	75,885
as % of EBITDA	93%	93%
Adjustment for accrual on share-based incentive system payments	5,926	5,814
Changes in NWC (Net Working Capital)	22,397	889
Changes in other assets/liabilities	(17,555)	(6,454)
Operating Cash Flow	130,182	76,134
Tax paid (IRES/IRAP)	(12,370)	(10,480)
Free Cash Flow	117,812	65,654
(Investments)/divestments in financial assets	(23,233)	(8,051)
Equity (investments)/divestments	(356,878)	2,610
Dividend paid	(42,264)	(30,907)
New financing	-	-
Net Cash Flow of the period	(304,563)	29,306
Net financial Position - Beginning of period	68,098	38,605
Net financial Position - End of period	(236,465)	68,098
Change in Net Financial Position	(304,563)	29,493

ALTERNATIVE PERFORMANCE INDICATORS

(€/000)

KPIs	31/12/2019	31/12/2018 ⁽¹⁾
Gross Book Value (EoP) - Group	131,527,995	138,578,013
Gross Book Value (EoP) - Italy	78,796,103	82,179,013
Collections - Italy	1,893,198	1,961,177
Collections - Italy - Stock	1,794,339	1,768,762
LTM Collections / GBV EoP - Italy - Overall	2.40%	2.39%
LTM Collections / GBV EoP - Italy - Stock	2.47%	2.50%
Staff FTE / Totale FTE	38%	37%
LTM Collections / Servicing FTE - Italy	2.57	2.66
EBITDA	127,766	83,769
Non-recurring items (NRIs) included in EBITDA	(12,676)	(2,712)
EBITDA excluding non-recurring items	140,442	86,481
EBITDA Margin	35%	36%
EBITDA Margin excluding non-recurring items	39%	37%
Profit (loss) for the period attributable to the shareholders of the parent company	38,318	50,498
Non-recurring items included in Profit (loss) for the period attributable to the Shareholders of the Parent Company	(31,135)	(1,784)
Profit (loss) for the period attributable to the Shareholders of the Parent Company excluding non-recurring items	69,062	52,282
Earnings per share (Euro)	0.48	0.63
Earnings per share excluding non-recurring items (Euro)	0.86	0.65
Capex	8,086	5,408
EBITDA - Capex	119,680	78,361
Net Working Capital	130,022	77,376
Net Financial Position	(236,465)	68,098
Leverage (Net Debt / EBITDA LTM PF)	1.3x	n.a.

⁽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.

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