

## **CONAFI PRESTITO: The Board of Directors Approves Q3 2015 Consolidated Results**

- **Net commissions** of Euro 3.4 million (Euro 3.6 million at September 30, 2014)
- **Consolidated brokerage margin** is positive by Euro 3.8 million (loss of Euro 4.9 million at September 30, 2014)
- **Consolidated net loss** of Euro 1.8 million (loss of Euro 10.9 million at September 30, 2014)
- **Net cash position** of Euro 26.0 million (Euro 26.6 million at June 30, 2015)

*Turin, November 12, 2015*

The Board of Directors, chaired by Mr Nunzio Chiolo, Chief Executive Officer and Chairman of Conafi Prestito, a company listed on the MTA market, specialised in the provision of loans repaid via salary/pension deductions, today approved the consolidated financial results at September 30, 2015.

### **Q3 2015 Consolidated Results**

In the first nine months of 2015, financial brokerage in the salary/pension-backed loans sector was equal to a total of Euro 28.9 million in terms of gross value (Euro 32.0 million at September 30, 2014). The volumes brokered are substantially recording, throughout 2015, a growth trend, as shown by the table below, which also shows the comparison with the volumes brokered in 2014.

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>
<b>2015</b>	Euro 6.8 million	Euro 9.5 million	Euro 12.6 million
<b>2014</b>	Euro 9.3 million	Euro 12.4 million	Euro 10.3 million

The consolidated result at September 30, 2015 reported a loss of Euro 1.8 million (compared to a loss of Euro 10.9 million at September 30, 2014, which was particularly impacted by a loss of approx. Euro 9 million on treasury management operations, interrupted in February 2014).

As at September 30, 2015, the Group holds significant funds, amounting to approximately Euro 28.5 million, mainly invested in liquid assets or in assets that may be easily liquidated (with a net cash position of approximately Euro 26.0 million), which largely exceed the capital adequacy and the working capital requirements.

### **Significant Events Occurred in the Period**

On February 3, 2015, the Company announced it had implemented another temporary lay-off plan with a rotation system, which, starting from January 12, 2015, involved the entire staff. On June 22, 2015, the Company announced that this temporary lay-off plan was terminated, and gave notice that the Company and the trade unions had reached an agreement on a petition to be filed with the relevant authorities under the provisions of Italian Law No. 236/1993 as subsequently amended (job security agreement) that apply to all the employees and involve a working hours reduction by 40% max.

On March 17, 2015, the Board of Directors approved the separate annual accounts and the consolidated financial statements for the year 2014, the 2014 Corporate Governance and Ownership Structure Report, and the Remuneration Report concerning Directors and Senior managers with strategic responsibilities pursuant to Art. 123-ter of Legislative Decree No. 58/98.

On April 29, 2015, the Shareholders' AGM, held on single call, approved the 2014 annual accounts and the Remuneration Report; appointed the Board of Directors and the Board of Statutory Auditors; engaged the Audit Firm Kreston GV Italy Audit S.r.l. for the years 2015-2023; granted authorisation of treasury share purchase and disposal; and approved the amendments to the Articles of Association pursuant to Article 127-quinquies of Legislative Decree No. 58 of February 24, 1998.

On May 14, 2015, the Company's Board of Directors approved the 2015 first quarter results; and, lastly, on August 5, 2015, the 2015 first half year results.

### **Significant Events After Period-end**

On October 6, 2015, the Board of Directors announced it had approved the application to the *Albo degli Intermediari Finanziari* (Italian financial brokers register) pursuant to the new Article 106 of the Italian Banking Finance Act, as required by the new provisions concerning the supervision of financial brokers, entrusting the Chairman with the task of submitting such application to Banca d'Italia.

Lastly, on November 6, 2015, Conafi Prestitò signed with Banca Sistema an agreement concerning the transfer without recourse of receivables arising from loans repaid via salary/pension deductions. The three-year agreement provides for the transfer of receivables from Conafi Prestitò to Banca Sistema for a total transferable amount of maximum Euro 100 million per year. Furthermore, this agreement includes a three-year servicing agreement, according to which Conafi Prestitò is entrusted with the task of carrying out all of the activities of collection, monitoring and debt recovery related to the receivables transferred.

### **Outlook**

Relations and discussions with the leading institutions of the banking system have continued, in the aim of acquiring the liquidity necessary to reinforce the Company's growth trend, and have started to yield practical results. The agreement with Banca Sistema, moreover, forms part of a long-range plan of Conafi Prestitò aimed at extending its credit lines to support its core activity based on granting loans repaid via salary/pension deductions, sector we believe can still offer significant opportunities.

The Group holds also significant funds — mainly invested in liquid assets or in assets that may be easily liquidated, which largely exceed the capital adequacy and the working capital requirements.

**Declaration of the Executive Responsible for the Preparation of the Accounting Documents**

The Executive responsible for the preparation of the corporate accounting documents Mr. Claudio Forte declares in accordance with Article 154-*bis*, paragraph 2, of the Finance Act, that the accounting information contained in this press release corresponds to the underlying accounting documents, records and accounting entries.

In compliance with Article 65-bis par. 2 and Article 82 of Consob Resolution No. 11971/1999 as subsequently amended and supplemented, it is hereby stated that the Consolidated Interim Financial Report as at September 30, 2015, which was not subject to limited review by the relevant Audit Firm, is available at the Company's registered office and at Borsa Italiana S.p.A.

This press release is also available on the Company's website [www.conafi.it](http://www.conafi.it).

Conafi Prestito S.p.A., with headquarters in Turin, is a financial broker, registered in the general list of the financial brokers provided for by Article 106 of the Italian Banking Finance Act held at the Bank of Italy and in the special list provided for by Article 107 of the Italian Banking Finance Act. The Company operates in the personal loans sector, specialised in providing loans with repayment through direct salary or pension deductions. Conafi Prestito is also renowned as an innovator of products and services and noted as one of the few operators which have brought innovation to the consumer credit sector, mainly concentrated on traditional activities. CONAFI PRESTITO' S.p.A. has been listed on the MTA segment of the Italian Stock Exchange since 12 April 2007.

For further information please contact:

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### **Attachments**

- Consolidated Balance Sheet at September 30, 2015
- Consolidated Income Statement at September 30, 2015
- Consolidated Net Financial Position at September 30, 2015
- Consolidated Cash Flow Statement at September 30, 2015
- Group Consolidated Companies at September 30, 2015

## CONSOLIDATED BALANCE SHEET AT SEPTEMBER 30, 2015

	Assets	30/09/2015	31/12/2014
<b>10.</b>	Cash and cash equivalents	3	2
<b>40.</b>	AFS financial assets	2,190	5,293
<b>60.</b>	Receivables	39,743	38,569
<b>100.</b>	Property, plant and equipment	182	192
<b>110.</b>	Intangible assets	84	62
<b>120.</b>	Tax assets:	2,283	2,667
	a) current	268	688
	b) prepaid	2,015	1,979
<b>140.</b>	Other Assets	7,203	5,635
	<b>TOTAL ASSETS</b>	<b>51,688</b>	<b>52,420</b>
	<b>Liabilities and shareholders' equity</b>	<b>30/09/2015</b>	<b>31/12/2014</b>
<b>10.</b>	Payables	5,802	5,770
<b>70.</b>	Tax liabilities	323	208
	a) current	46	6
	b) deferred	277	202
<b>90.</b>	Other liabilities	16,201	15,417
<b>100.</b>	Post-employment benefits	275	286
<b>110.</b>	Provisions for risks and charges	572	595
	b) other provisions	572	595
<b>120.</b>	Share capital	11,160	11,160
<b>130.</b>	Treasury shares (-)	(5,830)	(5,830)
<b>150.</b>	Share premium reserve	21,877	34,155
<b>160.</b>	Reserves	2,413	2,020
<b>170.</b>	Valuation reserves	727	525
<b>180.</b>	Net profit (loss) for the year	(1,832)	(11,886)
	<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>51,688</b>	<b>52,420</b>

(amounts expressed in thousands of Euro)

## CONSOLIDATED INCOME STATEMENT AT SEPTEMBER 30, 2015

	Items	30/09/2015	30/09/2014
10.	Interest income and similar revenues	580	634
20.	Interest expense and similar charges	(157)	(112)
	<b>INTEREST MARGIN</b>	<b>423</b>	<b>522</b>
30.	Commission income	6,255	6,130
40.	Commission expenses	(2,900)	(2,482)
	<b>NET COMMISSIONS</b>	<b>3,355</b>	<b>3,648</b>
60.	Net result for trading operations	0	(9,042)
90.	Profit/loss from sale or repurchase of:	63	0
	a) financial assets	63	0
	<b>BROKERAGE MARGIN</b>	<b>3,841</b>	<b>(4,872)</b>
100.	Write-down/write-back on:	(424)	(669)
	a) financial assets	(659)	(559)
	b) other financial operations	235	(110)
110.	Administrative expenses	(5,362)	(5,161)
	a) personnel costs	(3,180)	(3,522)
	b) other administrative expenses	(2,182)	(1,639)
120.	Write-down/write-back of value of property, plant and equipment	(59)	(72)
130.	Write-down/write back of value of intangible fixed assets	(16)	(11)
150.	Net provisions for risks and charges	19	14
160.	Other operating income/charges	173	(18)
	<b>RESULT FROM NORMAL OPERATIONS</b>	<b>(1,828)</b>	<b>(10,789)</b>
180.	Profit (loss) on sale of investments	0	(1)
	<b>PROFIT (LOSS) BEFORE TAXES FROM CURRENT OPERATIONS</b>	<b>(1,828)</b>	<b>(10,790)</b>
190.	Income tax on current operations	(4)	(101)
	<b>PROFIT (LOSS) AFTER TAXES FROM CURRENT OPERATIONS</b>	<b>(1,832)</b>	<b>(10,891)</b>
	<b>NET PROFIT (LOSS) FOR THE YEAR</b>	<b>(1,832)</b>	<b>(10,891)</b>
210.	Profit (loss) – minority share	0	(19)
220.	Parent Company's profit (loss)	(1,832)	(10,872)

(amounts expressed in thousands of Euro)

## **CONSOLIDATED NET FINANCIAL POSITION AT SEPTEMBER 30, 2015**

Account/Value	30/09/2015	30/06/2015	Spread %
Cash and cash equivalents	3	4	-25.00%
Bank current accounts	26,707	26,719	-0.04%
<b>Liquidity (A)</b>	<b>26,710</b>	<b>26,723</b>	<b>-0.05%</b>
Bank overdraft accounts	(5)	(10)	-50.00%
<b>Net liquidity (B)</b>	<b>26,705</b>	<b>26,713</b>	<b>-0.03%</b>
Loans in course of approval	2,178	2,735	-20.37%
Payables for advance repayments and repayments	(2,903)	(2,894)	0.31%
<b>Current financial Account (C)</b>	<b>(725)</b>	<b>(159)</b>	<b>355.97%</b>
<b>Net financial position (B + C)</b>	<b>25,980</b>	<b>26,554</b>	<b>-2.16%</b>

**(amounts expressed in thousands of Euro)**

## CONSOLIDATED CASH FLOW STATEMENT AT SEPTEMBER 30, 2015

A. OPERATING ACTIVITIES	AMOUNT	
	30/09/2015	30/09/2014
<b>1. OPERATIONS</b>	<b>(1,352)</b>	<b>(10,153)</b>
- profit/loss for the year (+/-)	(1,832)	(10,891)
- net impairment losses on loans (-/+)	424	669
- net impairment on property, plant and equipment and intangible assets (+/-)	75	83
- provision for risks and charges and other costs and revenues (+/-)	(19)	(14)
<b>2. LIQUIDITY GENERATED/ABSORBED BY FINANCIAL ASSETS</b>	<b>1,472</b>	<b>(984)</b>
- financial assets held for trading	0	1,318
- AFS financial assets	3,381	1,115
- bank receivables	(729)	(368)
- receivables from financial institutions	0	57
- client receivables	79	(1,202)
- other assets	(1,259)	(1,904)
<b>3. LIQUIDITY GENERATED/ABSORBED BY FINANCIAL LIABILITIES</b>	<b>1,153</b>	<b>1,521</b>
- bank payables	(14)	1,140
- payables from financial institutions	0	(3)
- client payables	48	(357)
- other liabilities	1,119	741
<i>Liquidity generated/absorbed by operating activities</i>	1,273	(9,616)
<b>B. INVESTING ACTIVITIES</b>		
<b>2. LIQUIDITY ABSORBED BY</b>	<b>(87)</b>	<b>(47)</b>
- purchase of property, plant and equipment	(49)	(42)
- purchase of intangible assets	(38)	(5)
<i>Net liquidity generated and absorbed by investing activities</i>	(87)	(47)
<b>NET LIQUIDITY GENERATED/ABSORBED IN THE YEAR</b>	<b>1,186</b>	<b>(9,663)</b>
<b>RECONCILEMENT</b>		
	AMOUNT	
	30/09/2015	30/09/2014
Cash and cash equivalents at the beginning of the year	25,519	37,922
Total net liquidity generated/absorbed during the year	1,186	(9,663)
Cash and cash equivalents at the end of the year	26,705	28,259

(amounts expressed in thousands of Euro)



**GROUP CONSOLIDATED COMPANIES AT SEPTEMBER 30, 2015**

<b>Company's Name</b>	<b>Registered Office</b>	<b>Type of Relationship (1)</b>	<b>Shareholder</b>	<b>Share Capital</b>	<b>Shares %</b>	<b>Voting Rights %</b>
Alba Finanziaria S.p.A. Società Unipersonale	Turin Via Cordero di Pamparato 15	1	Conafi S.p.A.	1,200,000	100%	100%
Holding Partecipazioni Business S.p.A Società Unipersonale	Turin Via Cordero di Pamparato 15	1	Conafi S.p.A.	120,000	100%	100%
Alta Italia Servizi Srl . Società Unipersonale	Turin Via Cordero di Pamparato 15	1	HPB S.p.A. Società Unipersonale	24,631	100%	100%
(1) Type of Relationship = 1, majority of voting rights in the Shareholders' Meeting						