



BANCA FINNAT

PRESS RELEASE

**THE BOD OF BANCA FINNAT APPROVES ITS PRELIMINARY CONSOLIDATED
RESULTS AT 31.12.2017**

- **PROFIT AFTER TAX RISES TO € 36.3 MILLION FROM € 7.3 MILLION AT 31.12.2016**
- **EARNINGS MARGIN GROWS BY 54%**
- **INTEREST MARGIN IMPROVES BY 16.9%**
- **CET 1 CAPITAL RATIO TOTALS 32,64%**
- **PROPOSAL FOR DIVIDENDS EQUAL TO € 10,9 MILLION, TRIPLED COMPARED TO 2016**

Rome, 9 February 2018 – Meeting today, the Board of Directors of Banca Finnat Euramerica S.p.A. approved the preliminary accounting schemes relating to the Consolidated Financial Statements at 31 December 2017, prepared in connection with the new supervisory reporting frameworks of common (COREP) and financial (FINREP) reporting, to be transmitted to the Bank of Italy within the deadline of 12 February 2018.

The highlights feature:

- **Earnings Margin**, rising by 54% to € 102.3 million from € 66.5 million at 31 December 2016.
- An improvement of the **Interest Margin** by 16.9%, rising to € 9 million from € 7.7 million at 31 December 2016.
- **Net Commissions** stable at € 50.6 million compared to € 51.1 million at 31.12.2016.
- Increased profit, totalling € 35.4 million, from the **Disposal of available-for-sale financial assets**.

The Board of Directors is scheduled to meet again on 16 March 2018 to approve the draft company and consolidated financial statements at 31 December 2017.

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The financial reporting officer (Giulio Bastia) hereby declares, pursuant to paragraph 2 of article 154 bis of the Consolidation Act on Finance, that the accounting information disclosed in this press release is consistent with the company's accounting records, books and entries.

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

For further information

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

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Encl.: non-certified preliminary accounting schemes relating to the Consolidated Financial Statements at 31.12.2017

CONSOLIDATED BALANCE SHEET (in thousands of euros)

	Asset items	31/12/2017	31/12/2016
10.	Cash and cash equivalents	633	475
20.	Financial assets held for trading	45.712	40.489
40.	Available-for-sale financial assets	1.219.533	1.172.947
50.	Financial assets held to maturity	-	1.999
60.	Due from banks	88.150	170.728
70.	Due from customers	370.478	335.765
80.	Hedging derivatives	-	391
100.	Equity investments	6.457	8.264
120.	Tangible assets	5.079	5.304
130.	Intangible assets	41.012	41.022
	of which:		
	- goodwill	37.729	37.729
140.	Tax assets	13.053	16.003
	a) <i>current</i>	605	1.802
	b) <i>deferred tax assets</i>	12.448	14.201
	of which, pursuant to Law 214/2011	11.044	12.594
160.	Other assets	20.420	18.196
Total assets		1.810.527	1.811.583

CONSOLIDATED BALANCE SHEET (in thousands of euros)

	Liability and net equity items	31/12/2017	31/12/2016
10.	Due to banks	1.474	1.203
20.	Due to customers	1.494.547	1.496.319
30.	Outstanding securities	22.594	23.825
40.	Financial liabilities held for trading	143	10.772
80.	Tax liabilities	4.017	3.602
	a) current	2.972	565
	b) deferred tax liabilities	1.045	3.037
100.	Other liabilities	17.988	12.101
110.	Staff severance fund	4.970	4.839
120.	Provisions for risks and charges		
	b) other funds	548	448
140.	Valuation reserves	2.182	30.423
170.	Reserves	125.101	121.601
190.	Capital	72.576	72.576
200.	Own shares (-)	(14.059)	(14.392)
210.	Minority equity share (+/-)	42.138	40.970
220.	Net profit (loss) for the year (+/-)	36.308	7.296
Total liabilities and net equity		1.810.527	1.811.583

CONSOLIDATED INCOME STATEMENT (in thousands of euros)

	Items	31/12/2017	31/12/2016
10.	Interest income and similar income	6.737	6.394
20.	Interest expense and similar expense	2.297	1.346
30.	Interest margin	9.034	7.740
40.	Commission income	53.116	53.252
50.	Commission expense	(2.536)	(2.147)
60.	Net commissions	50.580	51.105
70.	Dividends and similar income	2.806	3.003
80.	Net income from trading activities	1.726	1.896
90.	Net results from hedging activities	-	-
100.	Net profit (loss) from the transfer or repurchase of:		
	<i>b) available-for-sale financial assets</i>	38.178	2.788
120.	Earnings margin	102.324	66.532
130.	Net value adjustments/write-backs for the impairment of:		
	<i>a) receivables</i>	(2.340)	(185)
	<i>b) available-for-sale financial assets</i>	(3.777)	(5.657)
	<i>d) other financial transactions</i>	(2)	-
140.	Net income from financial operations	96.205	60.690
180.	Administrative expenses:		
	<i>a) staff costs</i>	(34.698)	(31.096)
	<i>b) other administrative expenses</i>	(19.364)	(18.318)
190.	Net appropriations to the provisions for risks and charges	(100)	619
200.	Net value adjustments/write-backs on tangible assets	(475)	(499)
210.	Net value adjustments/write-backs on intangible assets	(168)	(154)
220.	Other operating income/charges	5.510	3.748
230.	Operating costs	(49.295)	(45.700)
240.	Net profit (loss) of equity investments	(1.708)	375
280.	Profit (loss) from current operations before taxes	45.202	15.365
290.	Income tax on current operations	(5.015)	(5.415)
300.	Profit (loss) from current operations after taxes	40.187	9.950
320.	Profit (loss) for the year	40.187	9.950
330.	(Profit) loss for the year for minority interests	(3.879)	(2.654)
340.	Profit (loss) for the year for parent company	36.308	7.296



STATEMENT OF CONSOLIDATED COMPREHENSIVE INCOME
(in thousands of euros)

	Voci	31/12/2017	31/12/2016
10.	Profit (loss) for the year	40.187	9.950
	Other income items after tax without reversal to income statement		
40.	Defined benefit plans	(23)	(191)
60.	Portion of the valuation reserves of the equity investments valued according to the net equity method	(98)	27
	Other income items after tax with reversal to the income statement		
100.	Available-for-sale financial assets	(28.101)	(2.871)
130.	Total other income items after tax	(28.222)	(3.035)
140.	Comprehensive income (Item 10+130)	11.965	6.915
150.	Consolidated comprehensive income of minority interests	3.898	3.595
160.	Consolidated comprehensive income of parent company	8.067	3.320