

Moody's confirms BFF's investment grade deposit ratings and changes outlook to Stable, downgrades other ratings

This rating action closes the review for downgrade opened in May 2024

Milan, 19th November 2024 – BFF Bank S.p.A. ("BFF" or the "Bank") informs that the rating agency Moody's today confirmed BFF's investment grade long-term (LT) and short-term (ST) deposit ratings of Baa3/Prime-3, respectively. The rating action closes the review for downgrade of all the ratings and assessments of BFF dated 22nd May 2024.

All other BFF's ratings and assessments were downgraded by one notch, including its LT issuer and senior unsecured debt ratings to Ba3 from Ba2 and BFF's Baseline Credit Assessment (BCA) and Adjusted BCA to ba3 from ba2.

The outlook on the LT deposit ratings and LT issuer and senior unsecured debt ratings are stable. Previously, the ratings were on review for downgrade.

BFF's ba3 BCA also reflects the one-notch negative adjustment for corporate behaviour following Bank of Italy's findings. According to Moody's, addressing governance issues could eliminate the negative corporate behavior adjustment, potentially resulting in a BCA upgrade.

Investment grade BFF's Baa3 LT deposit ratings were confirmed. This results from a reduction in the expected loss for depositors following the issuance of a senior unsecured debt in October 2024, which increased the volume of outstanding bail-in-able debt. This translates into three notches of uplift from BFF's Adjusted BCA from previous two notches.

LT issuer and senior unsecured debt ratings to Ba3 reflect the downgrade of BFF's BCA to ba3.

To summarise, the Ratings assigned to BFF by Moody's are:

Affirmations

- Long-term Bank Deposits, affirmed at Baa3, with Stable outlook
- Short-term Bank Deposits, affirmed at Prime-3

Downgrades

- Baseline Credit Assessment, downgraded to ba3 from ba2
- Adjusted Baseline Credit Assessment, downgraded to ba3 from ba2

- Long-term Issuer Rating, downgraded to Ba3 from Ba2, with Stable outlook
- Senior Unsecured Regular Bond/Debenture, downgraded to Ba3 from Ba2, with Stable outlook
- Preferred Stock Non-cumulative, downgraded to B3(hyb) from B2(hyb)
- Long-term Counterparty Risk Ratings, downgraded to Baa3 from Baa2
- Short-term Counterparty Risk Ratings, downgraded to Prime-3 from Prime-2
- Long-term Counterparty Risk Assessment, downgraded to Baa3(cr) from Baa2(cr)
- Short-term Counterparty Risk Assessment, downgraded to Prime-3(cr) to Prime-2(cr).

For more information, please refer to Moody's press release, published on the rating agency's website, and in the [Investors > Debt > Rating](#) section of BFF's website.

This press release is available on-line on BFF Group's website www.bff.com within the [Investors > PR & Presentations](#) section.

BFF Banking Group

BFF Banking Group is the largest independent specialty finance in Italy and a leading player in Europe, specialized in the management and non-recourse factoring of trade receivables due from the Public Administrations, securities services, banking and corporate payments. The Group operates in Italy, Croatia, the Czech Republic, France, Greece, Poland, Portugal, Slovakia and Spain. BFF is listed on the Italian Stock Exchange. In 2023 it reported a consolidated Adjusted Net Profit of €183.2 million, with a 12.3% Group CET1 ratio at the end of September 2024.

www.bff.com

Contacts

Investor Relations

Caterina Della Mora

Marie Thérèse Mazzocca

+39 02 49905 631 | +39 335 1295 008 | +39 335 6709492

investor.relations@bff.com

Media Relations

Alessia Barrera

Sofia Crosta

+39 02 49905 623 | +39 340 3434 065

newsroom@bff.com