

BFF Banking Group announces consolidated financial results for the first nine months 2025: 9M record Loan Book and Volumes, with 3Q profits up 33% YoY

- 9M 2025 Adj. Net Profit at €118.1m vs. €103.2m in 9M 2024. 3Q 2025 Adj. Net Profit up 33% YoY at €42.8m.
- Loan book at €5.8bn (+8% YoY) and Volumes at €6.3bn (+11% YoY). Highest 9M ever for Group Loan Book and Volumes. Italy +16% YoY in volumes.
- Loan/Deposit ratio at 73%, with Deposits from Transaction Services up €1.3bn YoY.
- HTC Government bond portfolio mark-to-market +€56m YoY.
- Net NPLs/Loans ratio at 0.2% excluding Italian municipalities in conservatorship.
- Past due at €1.6bn down 6% vs. December 2024. Contaging invoices at €296m (-30% since June 2024 reclassification).
- Received communication on bans removal: dividends on FY25 results, buyback, employees incentives and expansion to new markets.
- CET1 ratio at 13.4% and TCR at 16.5%, with €108m in excess vs. 13% CET1 ratio target.
- New medium-term targets to be communicated with new Strategic Plan in 2026.

Milan, 10th November 2025 – Today the Board of Directors of BFF Bank S.p.A. (“BFF”, the “Bank”, the “Company” or the “Group”) approved BFF’s nine months 2025 consolidated financial accounts.

CONSOLIDATED PROFIT AND LOSS

9M 2025 Adjusted Total Revenues at €515.3m (-13% YoY), of which €295.1m coming from Factoring, Lending & Credit Management (“F&L”), €50.3m from Payments, €20.4m from Securities Services and €149.5m from Corporate Center (including €10.5m of capital gain realised in 3Q 2025 from the roll-over of floaters Government bond portfolio with stable yield vs. June 2025).

9M 2025 Cost of Funding at **€212.0m** (-29% YoY).

Adjusted Net Revenues at **€303.3m**, +4% YoY.

9M 2025 Total Adjusted Operating Expenses including D&A, at **€140.3m** vs. €140.1m in 9M 2024. The impact of 2025 variable remuneration to be accounted for in 4Q 2025. Adjusted LLPs and Provisions for Risks and Charges at **€1.5m** vs. €7.9m in 9M 2024.

Overall **Adjusted Profit Before Taxes ("PBT")** of **€161.5m** (+13% YoY), with F&L up **15%** YoY, Payments down **7%** YoY, Securities Services up **42%** YoY and Corporate Center up **96%** YoY.

9M 2025 **Adjusted Net Profit** at **€118.1m**, +14% YoY and 9M 2025 **Reported Net Profit**¹ at **€107.7m** down **43%** YoY, due to the one-off increase in 1H 2024 of the accrual rate of Late Payment Interests ("LPIs") and Recovery Fees to 65%, from 50%, to align it to the historical collection rate.

With regard to the business units' KPIs and adjusted Profit & Loss data, please refer to the "9M 2025 Results" presentation published in the [Investors > Results > Financial results](#) section of BFF Group's website. Please note that the *Corporate Center* comprises all the revenues and costs not directly allocated to the three core business units (*Factoring, Lending & Credit Management, Payments and Securities Services*).

CONSOLIDATED BALANCE SHEET

As of 30th September 2025, **consolidated Total Assets** at **€12.1bn** down by **€0.1bn** (-1% vs. the end of September 2024), with an increase in the **Loan Book** and smaller **Government bond portfolio**.

The **Loan Book** at **€5,812m²**, up by **€417m** YoY (+8%), and **Volumes** at **€6,290m**, up **11%** YoY, recording the highest nine months ever for Group Loan Book and Volumes. Loan Book in Italy at **€3,457m**, +10% YoY, with Volumes at **€3,276m**, +16% YoY.

¹ Reported Net Profit includes:

- the negative impact of adjustments accounted on the following items:
 - -€5.4m post tax, -€7.8m pre tax, related to Stock Options & Stock Grant plans;
 - -€0.7m post tax, -€0.9m pre tax, of other non-recurring activities;
 - -€1.4m of taxes from one-off dividend distribution from subsidiaries;
 - -€1.4m post tax, -€2.0m pre tax, related to Customer contract amortization;
 - -€1.5m post tax, -€1.5m pre tax, related to the Bank of Italy administrative pecuniary sanction.
- the positive impact of adjustments accounted on the following items:
 - +€5.4k post tax, +€7.9k pre tax, related to release of provision for Group CEO settlement agreement.

² Loan Book portfolio includes fiscal receivables "Ecobonus" for €419m, which are accounted in "Other Asset" in the 9M 2025 Consolidated Financial Accounts and the stock of on-balance sheet LPIs and "recovery fees" at €780m.

At the end of September 2025, **Government bond portfolio** entirely classified as *Held to Collect* or “HTC” and down to **€4.6bn** vs. €5.0bn at the end of September 2024. Positive mark-to-market at **€40.5m**, up **€56m** YoY.

On the **Liabilities** side, the main changes vs. end of September 2024 are the following:

- **Deposits from Transaction Services** up by **€1.3bn** YoY, **+25%**, closing 9M 2025 at **€6.6bn**;
- **Repos** down by **29%** YoY at **€1.6bn** at the end of September 2025 vs. €2.2bn at end of September 2024;
- Thanks to the increase of deposits from Transaction Services, **on-line retail deposits** down by **47%** YoY (**€1.4bn** vs. €2.7bn at the end of September 2024);
- **Social unsecured senior preferred bonds** at **€612m** at the end of September 2025 vs. €305m at the end of September 2024, due to additional €300m issuance in October 2024;
- No ECB funding to be refinanced.

Strong liquidity position, with 9M 2025 **Liquidity Coverage Ratio (LCR)** at **219.1%** and **Net Stable Funding Ratio (NSFR)** at **136.2%**.

Leverage ratio as of 30th September 2025 at **6.4%**, stable vs. the end of September 2024.

Asset quality

The Group continues to benefit from a very low exposure towards the private sector. **9M 2025 Net Non-Performing Loans (“NPLs”), excluding Italian Municipalities in conservatorship (“in dissesto”)**, stand at **€9.9m**, or **0.2%** of net loans, with a **69% Coverage ratio**, vs. 70% at YE 2024 and 73% at the end of September 2024.

Italian Municipalities in conservatorship are classified as NPLs, despite BFF entitlement to receive 100% of the principal and late payment interests at the end of the conservatorship process. Moreover, recent sentences from the European Court of Human Rights (“ECHR”)³, require the Italian State to ensure the execution of sentences towards those Municipalities even before the end of the conservatorship process. In May 2025 the Bank received positive outcome from ECHR on three municipalities in conservatorship – in addition to the one already received in January 2025.

9M 2025 **Cost of Risk** is **4.7 basis points**.

³ For further details on the recent ruling published in Jan-25 by the European Court of Human Rights, please see the dedicated paragraph in the section “*Significant events after the end FY24 reporting period*” in [FY24 Press release on consolidated financial results](#).

Total 9M 2025 **Net Impaired Assets** (non-performing, unlikely to pay and past due) stand at **€1,796.0m** as of 30th September 2025, vs. €1,904.1m at YE 2024 and €1,916.5m as of end of September 2024, following the credit reclassification for prudential purposes requested by Bank of Italy⁴. As of the end of September 2025, **97%** of NPE exposure is towards Public Administration.

Past Due

At the end of September 2025, **net Past Due** amounts to **€1,622.5m**, vs. €1,734.5m at YE 2024 and €1,771.1m post-credit reclassification (please refer to footnote 4) as of the end of September 2024, notwithstanding **€505m** new net volumes bought from debtors in past due.

44% of the loans classified past due as of December 2024 has either been collected or exited from past due.

Contaging invoices are down by **€48.2m (-14%)** in 9M 2025 – by **€129m (-30%)** since June 2024 credit reclassification.

Capital ratios

The Bank **Common Equity Tier 1 (“CET1”)** ratio stands at **13.4% vs. a SREP⁵ of 9.7%**. The **Total Capital ratio (“TCR”)** stands at **16.5%** vs. a SREP⁶ of 13.2%. CET1 ratio and TCR including 9M 2025 Net Profit would be equal to 15.2% and 18.3%, respectively. €108m in excess of 13% CET1 ratio target for dividend distribution, which has been increased vs. previous 12%. For further details please refer to the paragraph “Events after the end 9M 2025 reporting period”.

The Bank will apply its dividend policy starting from the 2025 annual results, with the approval process of the financial statements to be completed in April 2026. Distribution of dividends remains subject to the fulfillment of all the regulatory capital requirements.

MREL requirements, effective from 1st January 2025, are fully covered thanks to bonds issuance completed during 2024 and the Bank’s capital generation.

As of the end of September 2025, **Risk Weighted Assets (“RWAs”)** – based on Basel Standard model – stand at **€4.9bn**, vs. €5.2bn at YE 2024. RWAs **density⁷** stands at **66%** vs. 70% at YE 2024 and 72% at end of September 2024.

⁴ Please see paragraph “Loan portfolio reclassification for prudential purposes” in [1H24 Press release on consolidated financial results](#).

⁵ The SREP requirement includes Capital Conservation Buffer, Countercyclical Capital Buffer and Systemic Risk Buffer.

⁶ Please refer to footnote 5.

⁷ Calculated as RWAs/Total assets excluding HTC bond portfolio and Cash and Cash Balances.

Events after the 9M 2025 reporting period

BFF has received from Bank of Italy communication on bans removal and on updated SREP requirements

On 2nd November 2025, BFF announced that it had received from Bank of Italy (the "Supervisory Authority" or the "Regulator") communication on the closing of the proceedings pertaining (please see also the dedicated [press release](#)):

1. **removal of bans** on (i) distribution of profits or other equity reserves; (ii) payment of employees variable remuneration; (iii) further expansion abroad;
2. **decision on updated capital requirements** following the conclusion of the supervisory review and evaluation process ("SREP"), which confirmed the additional Pillar II capital requirements ("P2R") currently in force.

The removal of the bans allows BFF to return to a normalised context with regards to shareholders remuneration, employees incentivisation and expansion into new markets, in a context of Group's sustainable growth.

With the objective of maintaining a strong level of capital, the Bank resolved to update its dividend policy increasing by 100 bps its target capital ratio. Therefore, the CET 1 reference level above which the Bank envisages the payment of dividends is 13.0%, in compliance with all other current and forward looking capital requirements.

The Bank will apply its dividend policy starting from the 2025 annual results, with the approval process of the financial statements to be completed in April 2026.

As a result of the application of the new dividend policy, the cumulated dividends to 2026 are expected to be approximately €50m – €70m lower than the cumulated dividends target previously communicated to the market, without taking into account any extraordinary capital management action on the Bank's credit portfolio.

As requested by Bank of Italy in the context of the SREP and bans removal letter, BFF:

- has approved a three-year organic international growth plan and is ready to file applications for the opening of the French branch focused on F&L business and for entering in Luxembourg for Global Custody, under the freedom of services;
- will approve by January 2026 a three-year plan for the gradual reduction of the incidence of non-performing loans on the Bank's total credit portfolio, also through greater diversification of its business model.

As communicated with the [press release published on 2nd November 2025](#), the Bank has resolved the start of the regulatory process to obtain Bank of Italy's authorization for the shares' buy-back programme to support the remuneration and incentive policies.

The Bank has also given execution to the new Stock Grant Plan (the "AUT Plan") and to the 2025 Long-term Incentive Plan (the "LTIP Plan", along with the AUT Plan, the "Plans") as approved by the Shareholders' Meeting dated 17th April 2025 (for further details please refer to the [press release published on 17th April 2025](#)).

Statement of the Financial Reporting Officer

The Financial Reporting Officer, Giuseppe Manno, declares, pursuant to paragraph 2 of article 154-*bis* of the Legislative Decree n° 58/1998 ("*Testo Unico della Finanza*"), that the accounting information contained in this press release corresponds to the document results, accounting books, and records of the Bank.

Earnings call

9M 2025 consolidated results will be presented today, 10th November, at 18:30 CET (17:30 WET) during a conference call, that can be followed after registering at this [link](#). The invitation is published in the [Investors > Results > Financial results](#) section of BFF Group's website.

This press release is available on-line on BFF Group's website www.bff.com within the [Investors > PR & Presentations > Press Releases](#) 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 2024 it reported a consolidated Adjusted Net Profit of €143.0 million, with a 13.4% Group CET1 ratio at the end of September 2025.

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Consolidated Balance Sheet (Values in € thousands)

Assets items	30-Sep-24	31-Dec-24	30-Sep-25
Cash and cash equivalents	167,571	153,689	130,897
Financial assets measured at fair value through profit or loss	181,580	179,319	179,911
a) <i>financial assets held for trading</i>	667	1,504	1,210
b) <i>financial assets designated at fair value</i>	-	-	-
c) <i>other financial assets mandatorily measured at fair value</i>	180,913	177,815	178,701
Financial assets measured at fair value through Other Comprehensive Income	139,714	141,442	149,374
Financial assets measured at amortized cost	10,886,030	10,667,127	10,742,552
a) <i>due from banks</i>	823,147	602,651	738,125
b) <i>due from customers</i>	10,062,884	10,064,476	10,004,427
Hedging instruments	-	303	-
Equity investments	12,989	13,690	13,364
Property, plant, and equipment	80,320	104,750	105,124
Intangible assets	70,287	77,519	74,438
<i>of which: goodwill</i>	30,957	30,957	30,957
Tax assets	100,154	101,071	95,724
a) <i>current</i>	44,722	40,250	41,058
b) <i>deferred</i>	55,431	60,821	54,666
Discontinued operations and non-current assets held for sale	8,046	-	-
Other assets	614,128	712,511	643,143
Total consolidated assets	12,260,818	12,151,421	12,134,527

Liabilities and Equity items	30-Sep-24	31-Dec-24	30-Sep-25
Financial liabilities measured at amortized cost	10,497,936	10,661,212	10,200,429
a) deposits from banks	1,730,912	1,342,119	1,152,096
b) deposits from customers	8,461,898	8,709,179	8,435,888
c) securities issued	305,126	609,914	612,445
Financial Liabilities Held for Trading	1,751	139	282
Hedging derivatives	77	-	56
Tax liabilities	165,800	166,690	177,003
a) current	4,528	2,794	4,327
b) deferred	161,273	163,896	172,676
Other liabilities	714,793	388,397	724,709
Employee severance indemnities	3,440	3,372	3,612
Provisions for risks and charges:	37,872	54,804	47,572
a) guarantees provided and commitments	115	258	72
b) pension funds and similar obligations	6,403	6,937	6,204
c) other provisions	31,354	47,609	41,296
Valuation reserves	9,118	21,085	28,322
Additional Tier1	150,000	150,000	150,000
Reserves	282,826	282,329	483,361
Share premium	66,277	66,277	66,277
Share capital	144,639	145,006	145,250
Treasury shares	(3,628)	(3,570)	-
Profit (Loss) for the period	189,917	215,680	107,653
Total consolidated liabilities and equity	12,260,818	12,151,421	12,134,527

Consolidated Income Statement (Values in € thousands)

Profit & Loss items	30-Sep-24	30-Sep-25
Interest and similar income	585,378	390,816
Interest and similar expenses	(294,299)	(207,158)
Net interest income	291,149	183,658
Fee and commission income	81,790	81,101
Fee and commission expenses	(21,270)	(16,628)
Net fees and commissions	60,520	64,473
Dividend income and similar revenue	13,338	11,935
Gains/(Losses) on trading	5,043	12,113
Fair value adjustments in hedge accounting	-	-
Gains/(Losses) on disposals/repurchases of:	233	10,455
a) <i>financial assets measured at amortized cost</i>	233	10,455
b) <i>financial assets measured at fair value through Other Comprehensive Income</i>	-	-
c) <i>financial liabilities</i>	-	-
Net income from other financial assets & liabilities at FV <i>through profit or loss</i> :	(3,381)	(3,119)
a) <i>financial assets and liabilities designated at fair value</i>	-	-
b) <i>other financial assets compulsorily valued at fair value</i>	(3,381)	(3,119)
Net banking income	366,902	279,515
Impairment (losses)/reversals on:	(4,452)	(1,895)
a) <i>financial assets measured at amortised cost</i>	(4,452)	(1,895)
b) <i>financial assets measured at fair value through Other Comprehensive Income</i>	-	-
Net profit from financial and insurance activities	362,451	277,620
Administrative expenses:	(140,511)	(139,567)
a) <i>personnel costs</i>	(62,641)	(62,726)
b) <i>other administrative expenses</i>	(77,871)	(76,841)
Net provisions for risks and charges:	(3,443)	413
a) <i>commitments and guarantees provided</i>	415	185
b) <i>other net provisions</i>	(3,858)	228
Net (adjustments to)/writebacks on property, plant, and equipment	(3,193)	(4,057)
Net (adjustments to)/writebacks on intangible assets	(7,483)	(8,453)
Other operating (expenses)/income	54,505	21,832
Total operating expenses	(100,126)	(129,832)
Gains (Losses) on equity investments	1,624	1,511
Gains (Losses) on disposal on investments	-	-
Profit (Loss) before taxes from continuing operations	263,949	149,299
Income taxes on profit from continuing operations	(74,032)	(41,646)
Profit (Loss) after taxes from continuing operations	189,917	107,653
Profit (Loss) after taxes from discontinued operations	-	-
Profit (Loss) for the period	189,917	107,653

Consolidated capital adequacy *(Values in € million)*

	30-Sep-24	31-Dec-24	30-Sep-25
Credit and Counterparty Risk	344.7	342.8	329.8
Market Risk	0.6	0.4	0.2
Operational Risk	62.8	74.0	59.7
Total capital requirements	408.1	417.2	389.7
Risk Weighted Assets (RWAs)	5,100.8	5,214.7	4,871.9
CET 1	625.8	638.5	653.9
Tier I	150.0	150.0	150.0
Tier II	0.0	0.0	0.0
Own Funds	775.8	788.5	803.9
<i>CET 1 Capital ratio</i>	<i>12.3%</i>	<i>12.2%</i>	<i>13.4%</i>
<i>Tier I Capital ratio</i>	<i>15.2%</i>	<i>15.1%</i>	<i>16.5%</i>
<i>Total Capital ratio</i>	<i>15.2%</i>	<i>15.1%</i>	<i>16.5%</i>

Asset quality *(Values in € thousands)*

	30-Sep-25		
	Gross	Provisions	Net
Non-performing loans (NPLs)	131,893	(23,342)	108,551
Unlikely to pay	73,017	(8,043)	64,974
Past due	1,625,585	(3,124)	1,622,462
Total impaired assets	1,830,496	(34,509)	1,795,987

	31-Dec-24		
	Gross	Provisions	Net
Non-performing loans (NPLs)	115,861	(14,973)	100,888
Unlikely to pay	78,142	(9,364)	68,778
Past due	1,736,967	(2,483)	1,734,483
Total impaired assets	1,930,969	(26,820)	1,904,150

	30-Sep-24		
	Gross	Provisions	Net
Non-performing loans (NPLs)	111,683	(15,686)	95,996
Unlikely to pay	57,766	(8,308)	49,457
Past due	1,773,544	(2,456)	1,771,088
Total impaired assets	1,942,992	(26,450)	1,916,542