Preliminary Financial Results

Full Year 2019

February 14, 2019

doValue

2019 Key Messages

1

2019 targets achieved - cash generation better than expected

- ✓ AuM from €82bn to €136bn: **doValue clear #1 in Southern European markets**
- ✓ €5.6bn collections with **Group collection rate at 4.2%**
- ✓ **+56% Revenue growth and +62% EBITDA growth**, sustained by the integration of Altamira Asset management (consolidated as of 3Q19)
- ✓ **Positive "Constant Perimeter" growth** with EBITDA at €140m despite timing of new AuM in NPL and UTP Italy, sustained by positive trends in "Spain & Portugal" and "Greece & Cyprus"
- ✓ **+32% Net Income** ex NRI[1] to €69m, **DPS proposal confirmed at €0.62/share (72% payout)**
- ✓ **Net Debt at €237m**, leverage at 1.3x Net Debt/EBITDA vs guidance at ca. 1.5x

2

Significant GBV wins in all markets – leadership confirmed

- ✓ **>€13bn new mandates**, including a **€4.3bn stock and flow agreement in Cyprus**
- ✓ **3 new clients in Italy** and **4 portfolios from leading global investors in Spain & Portugal**, confirmed as a strong secondary/REO market
- ✓ **Positive start to 2020:** Santander €1.7bn real estate development project in Spain, Master Servicing with new investor client in Italy, significant Due Diligence mandate (NPL portfolio of a troubled Italian banking group), signing €0.5bn UTP mandate in Italy by 1Q20

3

M&A integration progressing well - focus on execution/delivery

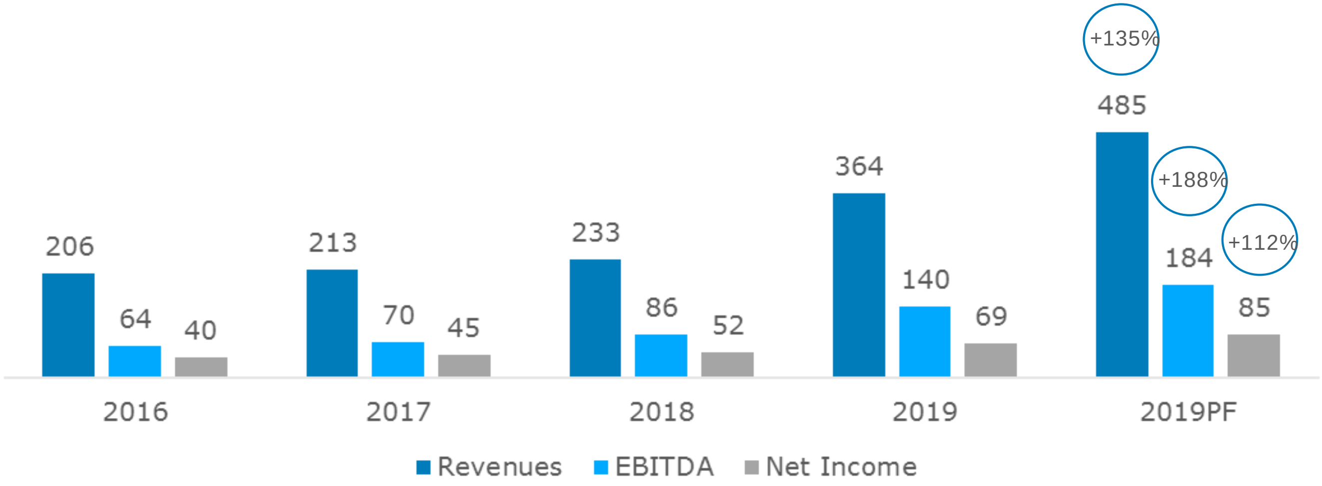
- ✓ **2019 a landmark year for doValue**, transforming its business profile (withdrawal of banking license, international M&A) with long-term benefits to all stakeholders
- ✓ **Integration of Altamira** progressing well, with positive financial results, no attrition in key management and an improvement in employee satisfaction
- ✓ **Closing of FPS** acquisition confirmed by May 2020, anti-trust filing submitted

Notes: 1. Excluding Non Recurring Items (costs linked to Group reorganization process and the acquisition of Altamira Asset Management).

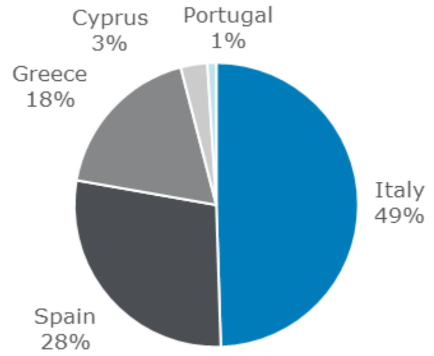
1 doValue transformed profile – larger and more diversified

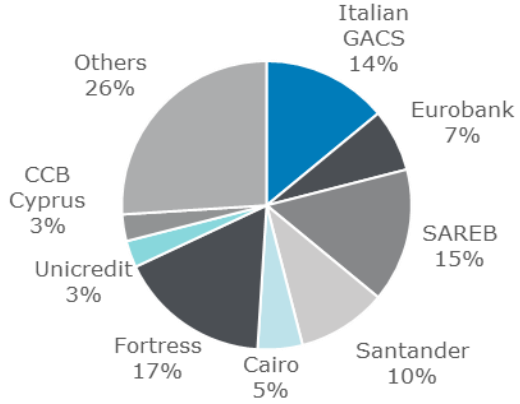
- ✓ Significant expansion in all financials and much higher diversification achieved in 3 years
- ✓ Growth delivered while expanding profitability (EBITDA margin from 31% to 38%) and improving shareholder returns (DPS from €0.39 in 2017 to €0.62 in 2019) with leverage at 2x (YE2019 PF for the acquisition of FPS)

Financials (€m)



Diversification (2019PF GBV)





2 Rich short-term servicing pipeline in reference markets, in line with business plan expectations

Jan. 2020 new achievements

- ✓ **€1.7bn** Real Estate Project with **Santander in Spain**
- ✓ **€1bn** leasing master servicing agreement with **new investor client in Italy**
- ✓ **>€9bn** GBV due diligence project with **new banking client in Italy**
- ✓ **€1bn** Special servicing agreement **in Greece**

>€1bn	Primary mixed NPL sale
€0.3bn	Residential NPL sale
€0.3bn	Primary mixed NPL sale
€0.3bn	Secondary REO sale

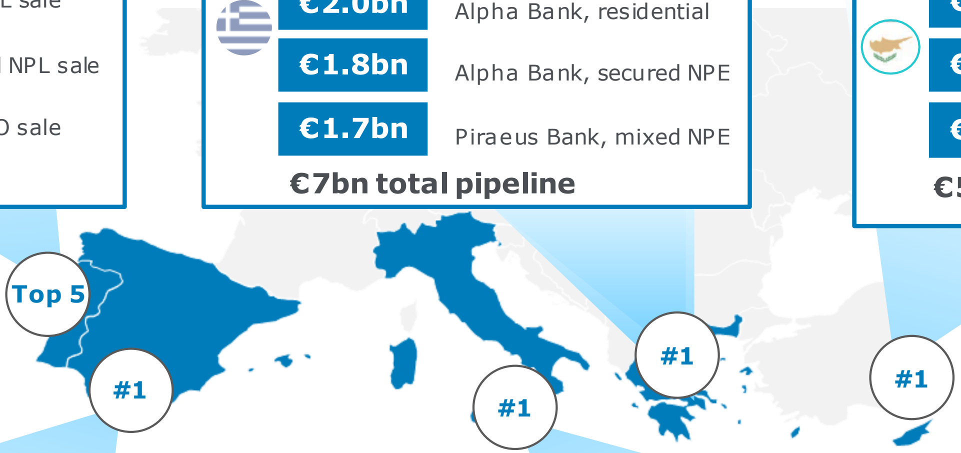
€2bn total pipeline

€2.5bn	NBG, secured NPE
€2.0bn	Alpha Bank, residential
€1.8bn	Alpha Bank, secured NPE
€1.7bn	Piraeus Bank, mixed NPE

€7bn total pipeline

€3.0bn	Primary portfolio
€1.2bn	Primary portfolio
€0.5bn	Primary portfolio
€0.3bn	Primary portfolio

€5bn total pipeline



€2.7bn	Primary NPL sale
€2.4bn	NPE/PE securitization
€1bn	Primary NPL sale
€0.6bn	Secondary NPL sale
€0.4bn	REO portfolio sale

>€7bn total pipeline

>€2bn	Leasing portfolio sale
>€1bn	New GACS by existing client
€1bn	New GACS by existing client
€1bn	UTP portfolio by major bank
€0.5bn	UTP portfolio by major bank

>€5bn total pipeline

Selected servicing opportunity in current, short-term only pipeline. Source: press/industry reports and doValue analysis.

Altamira integration activities progressing as planned, business performing in-line or above expectations

3

Area of Integration	Integration Initiatives	Applicable countries	Priority	Execution
Real Estate	▪ RE asset strategy			On track, website to be launched in 2Q20 with start of auction facilitation and active REOCO management
	▪ Auction animation			
	▪ RE active servicer			
NPE Management	▪ Data services			Data Factory setup ongoing to facilitate Group analytics
	▪ Loan marketplace			Signed agreement with leading EU marketplace
	▪ Securitizations			Cairo: 1st GACS in Greece to be closed in 1Q20
IT/Ops	▪ IT governance	ALL		Common working teams, analysis finalized in Q410, execution ongoing
	▪ Information security	ALL		
	▪ General procurement			
	▪ IT infrastructure			2-years horizon to execute, working with IBM
	▪ RPA technologies			
HR	▪ New Organizational model	ALL		Launched in Feb. 2020

Employee satisfaction survey at Altamira show progress in all key indicators in 2019 vs 2018[1] post acquisition

Notes: 1: Altamira employee satisfaction survey findings, 2019 score vs 2018: +14% in "Job Satisfaction", +9% in "Career and Development", +10% in "Management team", +4% in "Brand awareness", +10% in "Diversity and inclusion".

2020 priorities

1 **Execution of organic Business Plan**, focusing on integrating Altamira and exploiting the REO synergy opportunity in Italy and Greece; positive start of the year in terms of business development

2 **Continue driving costs lower**, with actions involving every key cost item, targeting an EBITDA margin >40% by 2022

3 **Monitoring of M&A market** with focus on consolidating current footprint

Financial Review

2019 summary financial highlights

		FY18[1]	FY19	Δ (%)
Revenue drivers	GBV EoP	€82.2bn	€131.5bn	+60%
	Gross collections	€2.0bn	€5.6bn	+185%
Simple P&L structure	Gross revenues	€233.1m	€363.8m	+56%
	Operating costs ex NRIs[3]	€123.1m	€183.2m	+49%
	EBITDA ex NRI[3]	€86.5m	€140.4m	+62%
	EBITDA ex NRI[3] margin	37%	39%	+2 p.p.
	Net income ex NRI[3]	€52.3m	€69.1m	+32%
Cash generation	Net Financial Position	(€67.9m)	€236.5m	n.m.
	Net Debt/ EBITDA	n.m.	1.3x	n.m.

- GBV under management at €136bn including the Alpha Bank contract in Cyprus, to be on-boarded by 1Q20 (€139bn in YE 2018 "at constant perimeter"[2])
- Structurally higher collection rates in markets ex-Italy, due to shorter collection timing

- Resilient fees and selective approach to market
- Increased proportion of base fees

- Accretive profitability in "Spain and Portugal" and "Greece and Cyprus", both above 40% margin
- €12.7m NRI[3] recorded in the period, mostly related to transaction costs for the acquisition of Altamira Asset Management and some of FPS
- Reported 2019 EBITDA at €128m

- DTA reassessment cost (one off-non cash) of €10.8m (triggered by de-banking process)
- HR efficiency NRI for ca. €7m

- Significant decrease in leverage over 2019, from 2x to 1.3x Net Debt/EBITDA, supportive of the expected trend of quick deleveraging profile

Notes: 1 : Restated following the application of IFRS 16;
2 : To improve comparability with 2019 results at constant perimeter, 2018 results were combined with Altamira A.M. H2 2018 results;
3 : Excluding Non Recurring Items (costs linked to Group reorganization and the acquisition of Altamira A.M.).

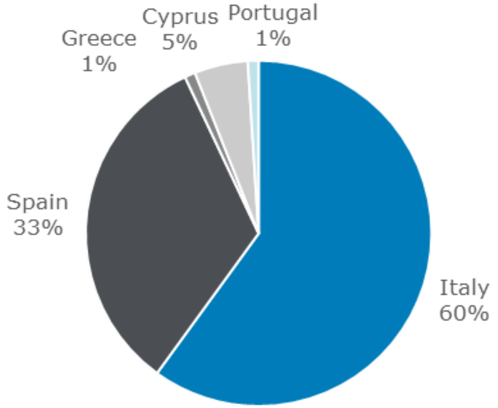
Evolution of gross book value (GBV) under management

- Inflows from existing clients mainly referred to Santander, with extraordinary positive result, and Unicredit
- Alpha Bank agreement (€4.3bn stock plus flow agreement), signed in October 2019, to be on-boarded in 1Q20
- New clients GBV includes ICCREA, Carige and UBI in Italy and 4 investors portfolios in Spain
- Sales by clients limited to banks aiming at accelerating asset quality plans (Intesa, Unicredit and Santander)

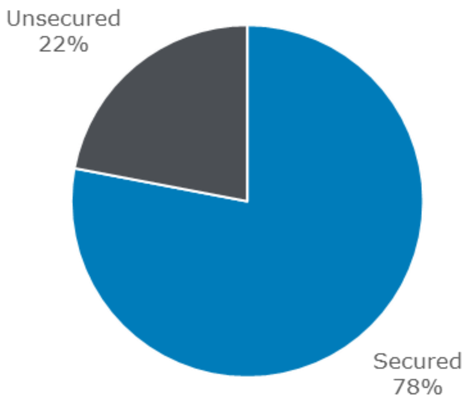
GBV evolution

GBV details: one of the most diversified portfolios in the industry

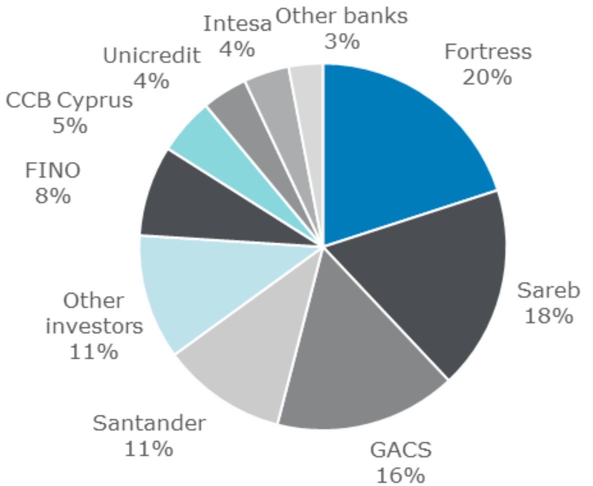
GBV Composition by country



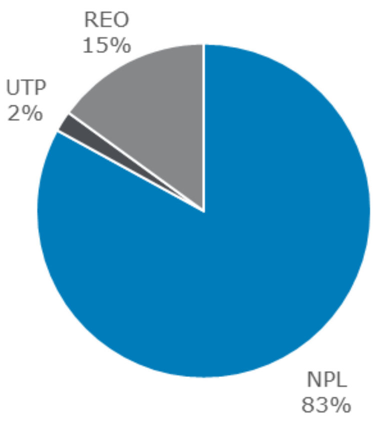
GBV Composition by security



GBV Composition by Client

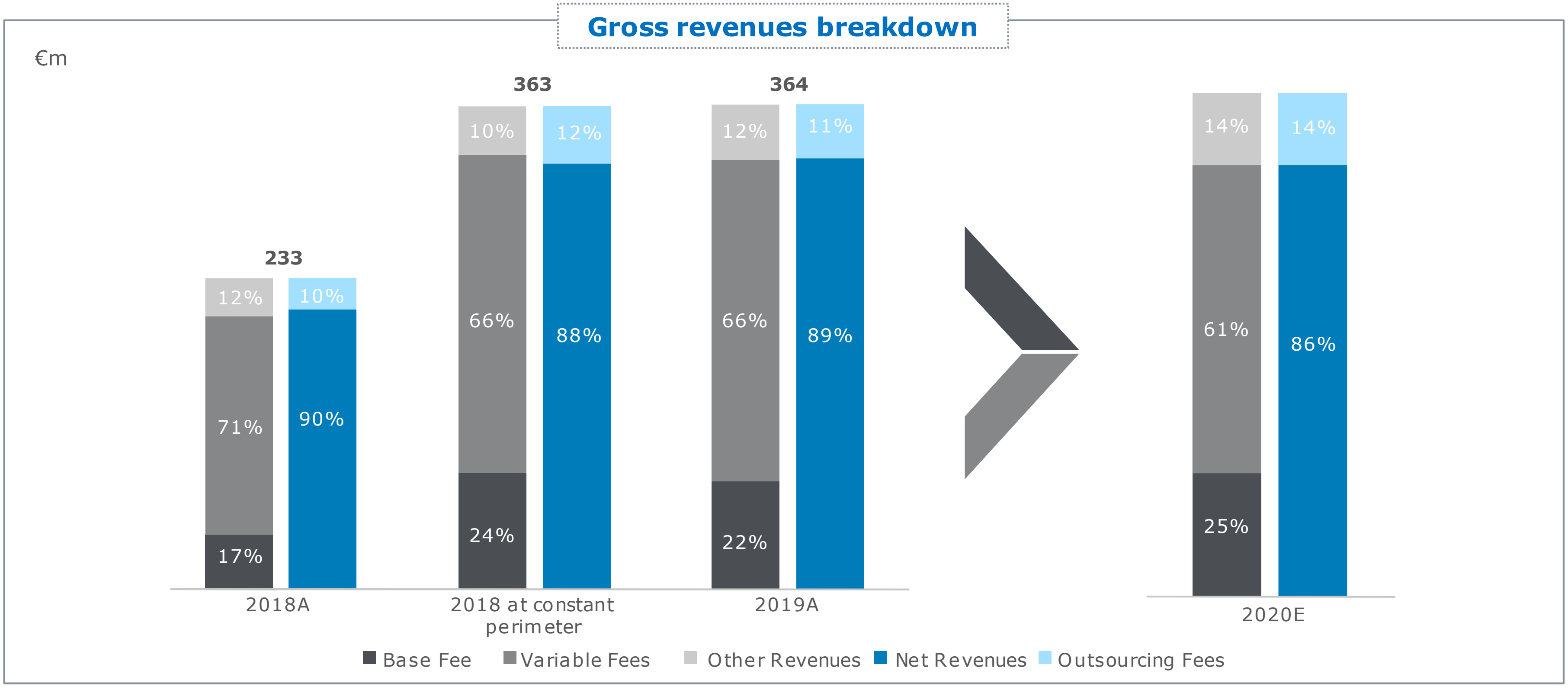


GBV Composition by Business



- Figures based YE2019 reported GBV of €131.5bn (impacts of FPS acquisition not included)
- High quality **book composed mostly of large, secured assets**
- Geographic mix: attractive combination of **country diversification and focus** on high-potential Southern Europe
- Client mix: working with the **top systemic banks and NPL/RE investors** in Southern Europe
- Product mix: servicing both **NPEs and Real Estate assets**, in line with evolution of servicing markets
- **Average loan size of €107k** (€138k in Italy)

Fee structure highlights a growing share of base fees



- **Weight of base fees growing from 17% to 22%, improving revenue resiliency and continue to grow as Altamira contribution is 100% (targeting 25% in 2020)**
  - Positive impact of markets ex-Italy, albeit contributing only for H2 results
  - Italy base fees stable at ca. 5 bps on GBV
  - Spain base fees at ca. 13 bps on GBV, due to contract structure
  - Greece and Cyprus base fees at ca. 15 bps on GBV due to early-stage phase of markets
- Lower NPL outsourcing fees, REO outsourcing fees growing in line with development of business

UTP servicing fee structure and profitability

Key differences vs NPL

- Higher complexity of cases to be analysed
- Higher upfront/structuring fees
- Lower workload for each asset manager
- Higher cost per asset manager given more skilled/qualified people

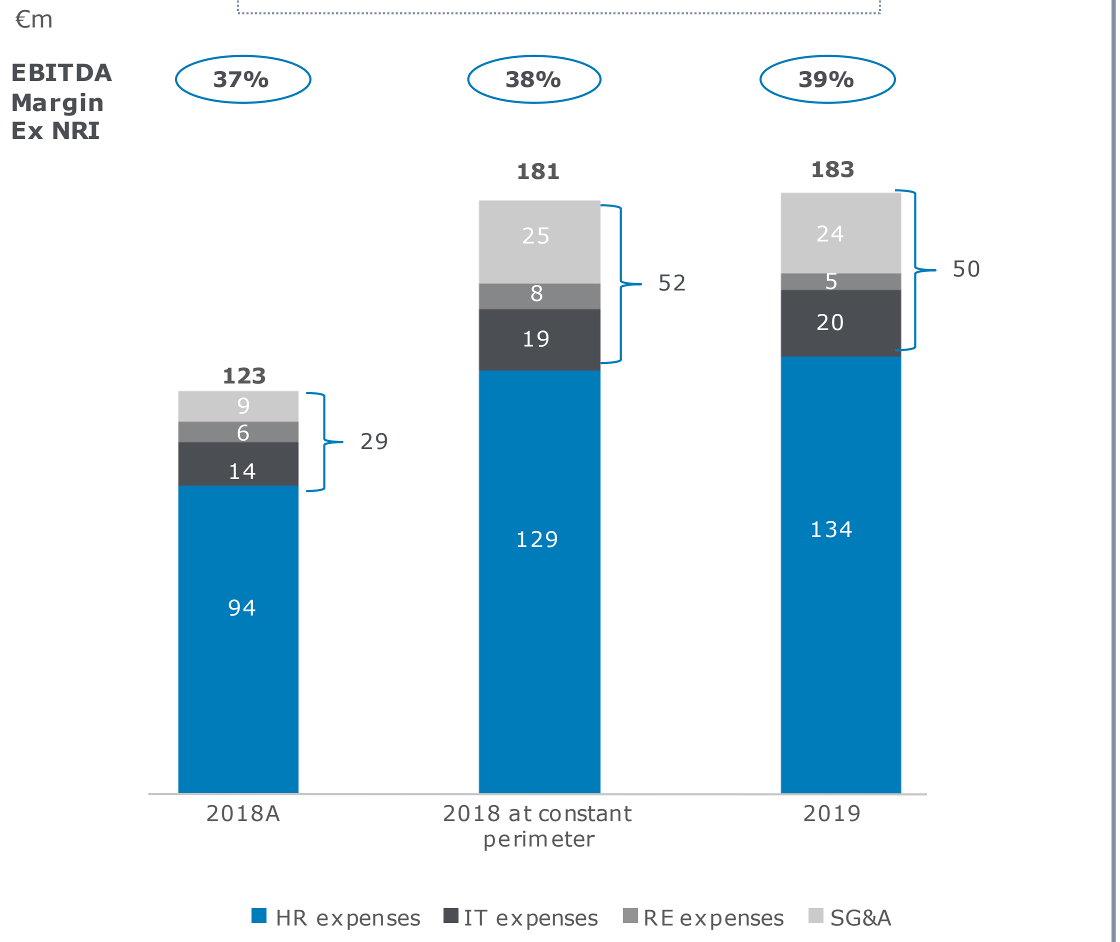
	NPL	UTP
Setup-fee/ on-boarding fee	€300-500k	0.2% of purchase price
Management fee	5bps of GBV	1.10% of purchase price
Collection fee	8% of collections	
Success fee	~15% of investor extra return vs original BP	10-20% of recovery beyond initial price over defined triggers
	Average Italian portfolio	Recently negotiated transaction

Illustrative UTP example

GBV	1,000
NBV	50%
Setup fee	1.0
Mgmt fee yr 1	3.2
Mgmt fee yr 2	5.3
Avg. FTE	Lower # of case files/FTE vs NPL
Cost per FTE	Slightly above that of NPL
Total cost	Slightly above that of NPL
EBITDA margin	>40%

Focus on operating expenses

Operating expenses ex NRI[1]



- Operating expenses ex NRI at €183.2m
- **Total Operating Expenses include €12.7m Non Recurring Items**, related to the completion of the Group Reorganization and the closing of the acquisition of Altamira Asset Management (part of SG&A)
- Growth in SG&A linked to use of real estate brokers by Altamira related to REO business
- Personnel cost growth in line with expectations, due to consolidation of Altamira and supporting the start-up of the Greek and UTP servicing business
    - 14% of total HR costs are variable
- Slightly higher IT spend due to software/system development expensed at P&L

Notes:
1. Excluding Non Recurring Items (costs linked to Group reorganization process and the acquisition of Altamira Asset Management).

2019 by market – benefits of diversification already visible

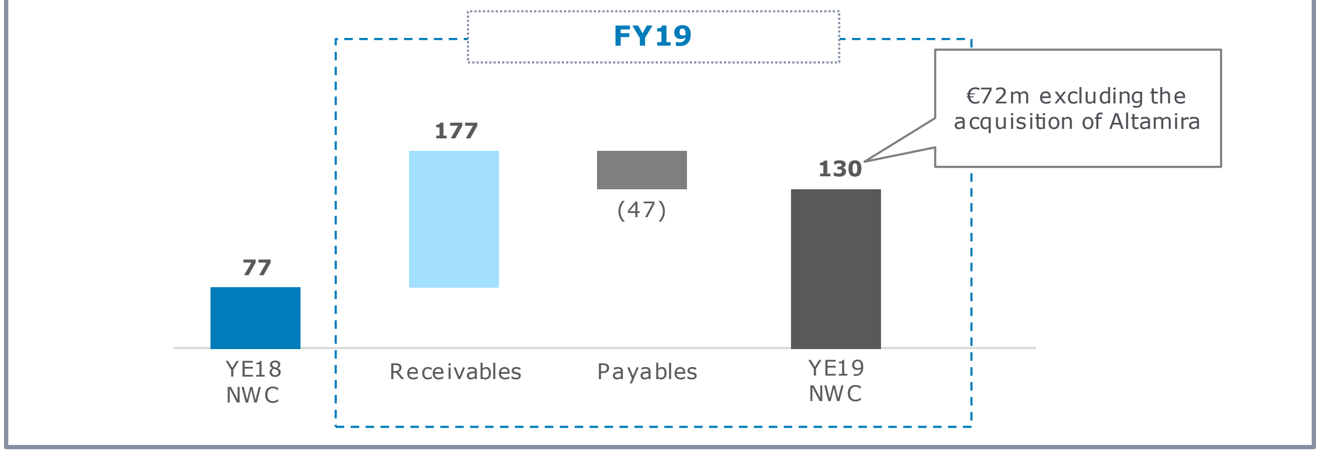
	doValue Group	Italy	Spain & Portugal	Greece & Cyprus
Collection rate (Collections/GBV)	4.2%	2.4%	6%[1]	12%[2]
Collections €bn	5.6	1.9	2.8	1.0
Gross revenues €m	364	220	116	28
EBITDA ex NRI €m	140	77	51	12
EBITDA margin	39%	35%	44%	44%

- Exposure to different macro and product cycles yields top-line benefits, with early-stage market supporting Group profitability. Differentiation to be fully visible in 2020 with 12-month impact of Altamira in P&L
- Italy results reflect timing/volume of new portfolios on-boarded in 2019, with selective approach to business development
- Collection rates structurally higher in markets ex-Italy due to lower court timings, irrespective of total recoverable amount. Group collection rate at 4.2%, improving yoy
- Cost efficiency measures enacted in all markets, supporting growth in EBITDA margin

Notes:
1 : includes REO sales
2 : GBV net of write-offs

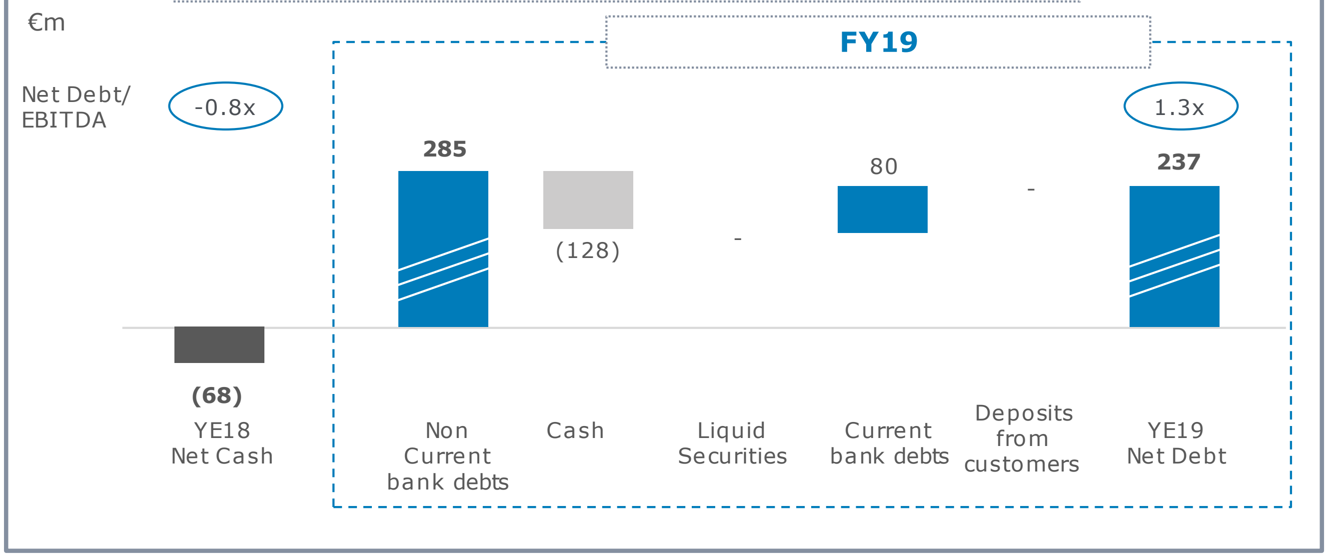
NWC and net financial position

Net working capital



- Net Working Capital includes approx. €58m contribution from the acquisition of Altamira Asset Management
- Excluding the above impact, NWC at €72m is lower yoy
- NWC improvement continues to benefit from client base shifting towards investors and securitization vehicles. FPS acquisition to be incrementally supportive due to payment terms

Net financial position

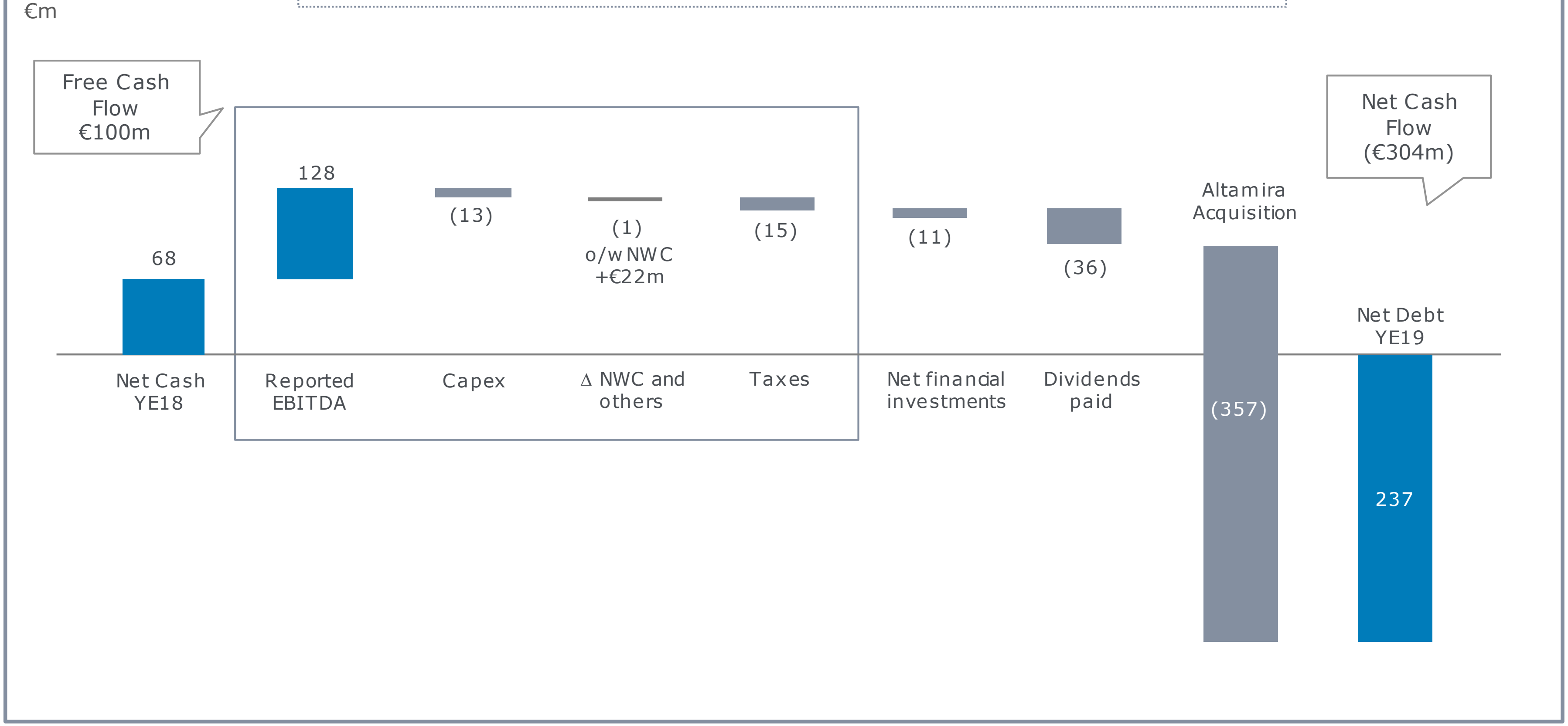


- Net Debt increase reflecting the acquisition of Altamira Asset Management ad dividend payment
- YE19 leverage better than target at 1.3x vs 1.5x target
- doValue committed to maximum leverage target up to 3x Net Debt/EBITDA

2019 cash flow trend

- Very strong free cash flow generation at €100m in FY19, supported by strong earnings and a neutral NWC move
- Financial leverage measured in terms of Net Debt/EBITDA down from 1.8x to 1.3x during H219
- Structurally low capex needs and limited cash taxes
- Closing of Altamira acquisition in 2Q19 with related cash out and dividend payment in May 2019

Cash Flow Bridge



Appendix

Condensed consolidated income statement FY19

(€'000)

	FY19	FY18	Change	Change %
Servicing Revenues	325,889	205,538	120,351	59%
of which NPL revenues	268,034	205,538	62,496	30%
of which REO revenues	57,830	-	57,830	n.s.
Co-investment revenues	564	911	(347)	-38%
Ancillary and other revenues	37,385	26,694	10,691	40%
Gross revenues	**363,838**	**233,143**	**130,695**	**56%**
NPL Outsourcing fees	(19,855)	(18,586)	(1,269)	7%
REO Outsourcing fees	(12,675)	-	(12,675)	n.s.
Ancillary Outsourcing fees	(7,628)	(4,970)	(2,658)	53%
Net revenues	**323,680**	**209,587**	**114,093**	**54%**
Staff expenses	(133,658)	(94,054)	(39,604)	42%
Administrative expenses	(62,256)	(31,764)	(30,492)	96%
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	(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%**
Impairment/Write-backs on property, plant, equipment and intangible assets	(40,388)	(5,536)	(34,852)	n.s.
Net Provisions for risks and charges	(10,335)	(317)	(10,018)	n.s.
Net Write-downs of loans	815	861	(46)	-5%
Net income (losses) from 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%
Net financial interest and commissions	(7,459)	(432)	(7,027)	n.s.
EBT	**71,205**	**79,682**	**(8,477)**	**-11%**
Income tax for the period	(29,826)	(29,184)	(642)	2%
Profit (Loss) for the period	**41,379**	**50,498**	**(9,119)**	**-18%**
Profit (Loss) attributable to non-controlling interests	(3,061)	-	(3,061)	n.s.
of the Parent Company	**38,318**	**50,498**	**(12,180)**	**-24%**
Non-recurring items included in Profit (Loss) of the period	(31,135)	(1,784)	(29,351)	n.s.
Non-recurring items included in Net Profit (Loss) attributable to Minorities	(391)	-	(391)	n.s.
Net Profit (Loss) for the period attributable to the shareholders of the Parent Company excluding non-recurring items	**69,062**	**52,282**	**16,780**	**32%**
Net Profit(Loss) 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%**
Earnings per share excluding non-recurring items (Euro)	*0.86*	*0.65*	*0.21*	*32%*

Condensed consolidated balance sheet FY19

(€/'000)

	YE2019	YE2018	Change	Change %
Cash and liquid securities	128,162	74,630	53,532	(26)%
Financial assets	48,609	36,139	12,470	35%
Equity investments	-	-	-	n.m.
Property, plant and equipment	23,904	4,290	19,614	n.m.
Intangible assets	340,879	6,846	334,033	n.m.
Tax assets	98,554	87,355	11,199	13%
Trade receivables	176,991	99,223	77,768	78%
Assets on disposal	10	710	(700)	(99)%
Other assets	13,581	7,839	5,742	73%
TOTAL ASSETS	**830,690**	**317,032**	**513,658**	**n.m.**
Financial liabilities: due to banks	364,627	-	364,627	n.m.
Other financial liabilities	92,036	294	91,742	n.m.
Trade payables	46,969	21,847	25,122	115%
Tax Liabilities	42,347	11,090	31,257	n.m.
Employee Termination Benefits	8,544	9,577	(1,033)	(11)%
Provision for risks and charges	25,669	20,755	4,914	24%
Liabilities on disposal	-	6,532	(6,532)	(100)%
Other liabilities	25,193	14,152	11,041	78%
TOTAL LIABILITIES	**605,385**	**84,247**	**521,138**	**n.m.**
Share capital	41,280	41,280	-	n.m.
Reserves	145,885	140,913	4,972	4%
Treasury shares	(184)	(246)	62	(25)%
Result for the period	38,320	50,840	(12,520)	(25)%
TOTAL SHAREHOLDERS' EQUITY	**225,301**	**232,787**	**(7,486)**	**(3)%**
	830,686	**317,034**	**513,652**	**n.m.**

Consolidated cash flow FY19

(€'000)

	FY19	FY18
EBITDA	127,766	81,293
Capex	(12,787)	(5,408)
EBITDA-Capex	**114,979**	**75,885**
% di EBITDA	90%	93%
Adjustment for accrual on share-based incentive system payments	5,926	5,814
Changes in Net Working Capital	22,397	889
Changes in other assets/liabilities	(29,190)	(6,454)
Operating Cash Flow	**114,112**	**76,134**
Taxes paid	(14,539)	(10,480)
Free Cash Flow	**99,573**	**65,654**
(Investments)/divestments in financial assets	(10,807)	(8,051)
Equity (investments)/divestments	(356,878)	2,610
Dividend paid	(36,264)	(30,907)
Net Cash Flow of the period	**(304,376)**	**29,306**
Net financial position - Beginning of period	67,911	38,605
Net financial position - End of period	(236,465)	67,911
Change in Net Financial Position	**(304,376)**	**29,306**

Key Performance Indicators FY19

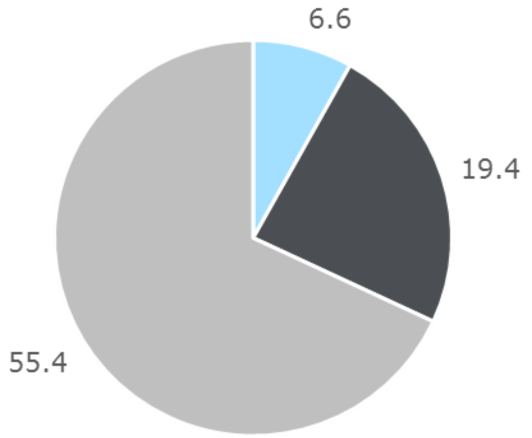
(€/000)

KPIs	2019	2018
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	2.4%	2.4%
LTM Collections / GBV EoP - Italy - Stock	2.5%	2.5%
Staff FTE / Total FTE	38%	37%
LTM Collections / Servicing FTE - Italy	2.7	2.7
EBITDA Reported	127,766	83,769
Non-recurring items (NRIs) included in EBITDA	(12,676)	(2,712)
EBITDA Ordinary	140,442	86,481
EBITDA Margin Reported	35.1%	35.9%
EBITDA Margin wo/NRIs	38.6%	37.1%
Net Profit (Loss) attributable to the Group Reported	38,318	50,498
Non-recurring items (NRIs) included in Net Income	(30,744)	(1,784)
Net Profit (Loss) attributable to the Group Ordinary	69,062	52,282
Earning per share (Euro)	0.48	0.63
Earning per share wo/NRIs (Euro)	0.86	0.65
Capex	8,086	5,408
EBITDA - Capex	119,680	78,361
Net Working Capital	130,028	77,387
Net Financial Position	(236,465)	67,911
Leverage (Net Debt / EBITDA LTM PF)	1.3x	n.a.

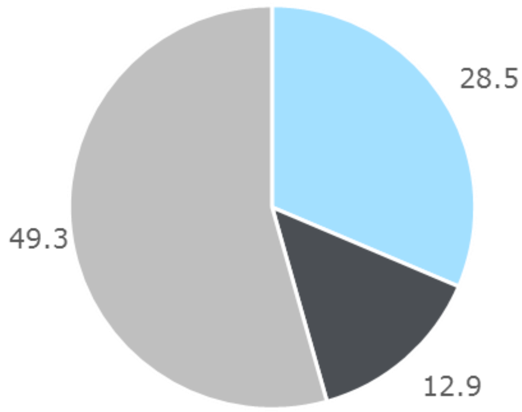
Tax assets

Tax assets breakdown

€m



FY18: 81.4



FY19: 90.7

Tax assets mostly originated from 2015 UCCMB transaction

A DTAs (Loss Carry forward):

- Can be used to off-set future direct and indirect taxes, subject to future profitability of the company
- To be fully exploited through future profit generation

B DTAs (Net Write-down):

- Can be used to off-set future direct and indirect taxes, with no maturity, starting from 2022

C DTAs on temporary differences and others

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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 presentation is consistent with the data in the accounting documentation, books and other accounting records.

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