

BFF Banking Group announces consolidated financial results for the full year 2025

- FY 2025 Adj. Net Profit at €151.7m (+6% YoY). Adj. ROE¹ at c. 23%. Reported Net Profit at €70.2m².
- Loan book at €5.8bn (stable YoY) and Volumes at €8.9bn (+5% YoY).
- Loan/Deposit ratio at 75%, with Deposits from Transaction Services up €0.8bn (+15%) YoY.
- HTC floaters Government bond portfolio mark-to-market at +€95m.
- Net NPLs/Loans ratio at 0.2% excluding Italian municipalities in conservatorship.
- Past due at €1.6bn, down 7% vs. December 2024. Contaging invoices at €269m, down €75m YoY.
- CET1 ratio at 14.1% above internal target, also including de-risking actions, and TCR at 17.3%.

Milan, 10th February 2026 – Today the Board of Directors of BFF Bank S.p.A. (“BFF”, the “Bank”, the “Company” or the “Group”) approved BFF’s 2025 consolidated financial accounts and restatement of 2024 accounts³.

Giuseppe Sica, General Manager of BFF, commented: “In 2025, BFF achieved a 20%+ Adjusted ROE, and demonstrated its ability to generate capital while taking significant actions to support future growth.

Our business benefits from complementary activities and from geographical diversification. In 2025, we saw a positive performance in growing markets such as France and Poland and a strong contribution of our Transaction Services business.

¹ Adj. Net Income / CET1.

² Please see paragraph “Consolidated Profit and Loss”.

³ Please see the [press release](#) published on 2nd February 2026.

As we prepare for BFF's next Strategic Cycle, we launched decisive actions to de-risk our factoring portfolio and improve the predictability of future profitability.

I would like to thank all colleagues for their contributions and commitment, and I am delighted to take the lead as General Manager as we focus on delivering our financial targets for 2026 and developing our new Strategic Plan which we will present in the second half of this year."

CONSOLIDATED PROFIT AND LOSS

FY 2025 **Adjusted Total Revenues** at **€678.7m** (-14% YoY), of which **€390.7m** came from *Factoring, Lending & Credit Management ("F&L")*, **€69.6m** from *Payments*, **€27.4m** from *Securities Services* and **€190.9m** from the *Corporate Center*⁴.

FY 2025 **Cost of Funding** is equal to **€273.3m** (-30% YoY), benefitting from the decrease in interest rates.

Adjusted Net Revenues at **€405.3m** (+1% YoY).

FY 2025 Total Adjusted Operating Expenses including D&A, at **€194.8m** vs. €190.7m in FY 2024. The impact of 2025 variable remuneration was accounted for in 4Q 2025. Adjusted LLPs and Provisions for Risks and Charges at **€5.8m** vs. €9.3m in FY 2024.

Overall **Adjusted Profit Before Taxes ("PBT")** of **€204.7m** (+2% YoY), with F&L up **1%** YoY, Payments down **5%** YoY, Securities Services up **90%** YoY and Corporate Center up **28%** YoY.

FY 2025 **Adjusted Net Profit** stands at **€151.7m**, +6% YoY and FY 2025 **Reported Net Profit**⁵ at **€70.2m** down **67%** YoY, due to 2024 benefitting from a positive one-off related to Late Payment Interests ("LPIs") accrual rate step up, while 2025 was affected by negative one-offs of €67m related to de-risking actions (please see also note 3).

⁴ Including €10.5m of capital gains realised in 3Q 2025 from the roll-over of floaters Government bond portfolio with stable yield vs. June 2025.

⁵ Reported Net Profit includes:

- the negative impact of adjustments accounted on the following items:
 - -€51.3m post tax, -€75.4m pre tax, related to provisions on negative court rulings;
 - -€15.4m post tax, -€22.4m pre tax, related to LPIs longer estimated collection days;
 - -€5.5m post tax, -€7.9m pre tax, related to Stock Options & Stock Grant plans;
 - -€1.8m post tax, -€2.7m pre tax, related to Customer contract amortization;
 - -€1.5m post tax, -€1.5m pre tax, related to the Bank of Italy administrative pecuniary sanction;
 - -€6.0m post tax, -€7.5m pre tax, of other non-recurring items.

With regard to the business units' KPIs and adjusted Profit & Loss data, please refer to the "FY 2025 Results" presentation published in the [Investor > 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 31st December 2025, **consolidated Total Assets** at **€12.3bn** up by **€0.1bn (+1%** vs. the end of December 2024).

The **Loan Book** was **€5,844m⁶**, flat YoY, and **Volumes** at **€8,900m**, up **5%** YoY.

At the end of December 2025, **Government bond portfolio** entirely classified as *Held to Collect* or "HTC" was at **€4.5bn** vs. €4.6bn at the end of December 2024. Positive mark-to-market at **€70.9m**, of which **€95m** related to floaters.

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

- **Deposits from Transaction Services** at **€6.6bn**, up by **€0.8bn** or **+15%** YoY;
- **Repos** (refinancing operations related to Italian Government Portfolio) up by **50%** YoY at **€2.3bn** at the end of December 2025 vs. €1.6bn at end of December 2024;
- **On-line retail deposits** reduced in line with plan at **€1.3bn** vs. €2.8bn in December 2024, allowed by the good performance of Transaction Service Deposits;
- **Social unsecured senior preferred bonds** at **€620m** at the end of December 2025 vs. €610m at the end of December 2024;
- BFF does not have European Central Bank "ECB" funding to be refinanced (PELTRO, TLTRO, etc.).

Strong liquidity position, with FY 2025 **Liquidity Coverage Ratio (LCR)** at **195.2%** and **Net Stable Funding Ratio (NSFR)** at **132.8%**.

Leverage ratio as of 31st December 2025 at **6.4%**, vs. 6.3% at the end of December 2024.

⁶ Loan Book portfolio includes fiscal receivables "Ecobonus" for €428m, which are accounted in "Other Asset" in the FY 2025 Consolidated Financial Accounts and the stock of on-balance sheet LPIs and "Recovery Fees" at €789m.

Asset quality

The Group continues to benefit from very low exposure to the private sector. **FY 2025 Net Non-Performing Loans ("NPLs"), excluding Italian Municipalities in conservatorship ("in dissesto")**, stand at **€10.7m**, or **0.2%** of net loans, with a **69% Coverage ratio**, vs. 70% at YE 2024.

Italian Municipalities in conservatorship are classified as NPLs in line with Bank of Italy provisions, despite BFF's entitlement to receive 100% of the principal and LPIs at the end of the conservatorship process. In addition, rulings published by the European Court of Human Rights ("ECHR") in January 2025⁷, require the Italian State to ensure the enforcement of rulings against these municipalities even before the end of the conservatorship process. In May 2025, the Bank received positive outcomes from ECHR rulings on three municipalities in conservatorship – in addition to one received in January 2025.

FY 2025 **Cost of Risk** – excluding one offs (please see note 3) – stands at **11.0 basis points**.

FY 2025 **Net Impaired Assets** (non-performing, unlikely to pay and past due) stand at **€1,765m** as of 31st December 2025, vs. €1,904m at YE 2024 following the credit reclassification for prudential purposes requested by Bank of Italy⁸. As of the end of December 2025, **97%** of NPE exposure is towards Public Administration. Additionally, the Bank has **€188m** exposures in cure period as of 31st December 2025.

Past Due

At the end of December 2025, **net Past Due** amounted to **€1,606m**, vs. €1,734m at YE 2024 post-credit reclassification (please refer to footnote 8), notwithstanding **€636m** new net volumes bought from debtors in past due.

54% of the loans classified past due as of December 2024 has either been collected or exited from past due.

Contaging invoices from reclassification as of 30th June 2024 at **€269m**, down by **€75m (-22%)** in FY 2025 – by **€155m (-37%)** since June 2024 credit reclassification.

⁷ 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](#).

⁸ Please see paragraph "Loan portfolio reclassification for prudential purposes" in [1H24 Press release on consolidated financial results](#).

Negative court rulings

With respect to the actions announced on 2nd February 2026 (please see also note 3), the provisions on negative court rulings are related to c. €400m⁹ of Italian public sector receivables – c. 5% of the entire loan book on a book value basis – and followed a review of the entire Italian portfolio of negative court rulings. These latter are mostly related to legal claims under ordinary legal action procedure.

In particular, provisions reflect possible lower profitability on the negative court rulings portfolio mainly due to a) the differential between LPI rate and retrocession rate to clients; b) longer average length for completion of claims following Italian ordinary legal actions compared to injunctions. The approach to provisions is based on a ruling-by-ruling analysis, without considering effects of out-of-court transactions and positive rulings (as below).

BFF returned to use of injunctions in 2024, with reasonably faster resolution times expected.

Conversely, the Bank has c. €53m of off-balance revenues – Late Payment Interests (“LPIs”), Recovery Fees and anatocism – accounted when collected related to final positive court rulings on credit exposures towards the Italian public sector.

Restatement of 2024 accounts

As announced on 2nd February 2026 (please see also note 3), BFF identified incorrect allocations of collections in the factoring business relating to the period up to June 2023, amounting to approximately €54m (equal to about 0.2% of the collections recorded in the period). The identification of this error resulted from an internal review undertaken at the initiative of the Factoring & Lending department and led to a restatement of the 2024 financial statements, with an overall cumulative reduction in shareholders’ equity as of 31st December 2024 of approximately €15.1m.

Capital ratios

The Bank **Common Equity Tier 1 (“CET1”) ratio** stood at **14.1% vs. a SREP¹⁰ of 9.7%**. The **Total Capital ratio (“TCR”)** stood at **17.3% vs. a SREP¹¹ of 13.2%**. CET1 ratio and TCR include FY 2025 Net Profit.

⁹ Nominal value including 100% of LPIs and Recovery Fees.

¹⁰ The SREP requirement includes Capital Conservation Buffer, Countercyclical Capital Buffer and Systemic Risk Buffer.

¹¹ Please refer to footnote 10.

BFF's dividend policy targets a semi-annual payout of the Adjusted Net Income of the period above a 13% threshold for the CET1 ratio. Distribution of dividends remains also subject to the fulfillment of all the regulatory capital requirements.

The Board of Directors resolved not to propose a 2025 dividend to the Annual General Meeting and retain the entire net profit of the period above the 13% CET1 ratio threshold to fully solidify the announced de-risking action and maximize future shareholder value. BFF will present its next Strategic Plan in 2H 2026.

In light of the new rules on the windfall tax reserve, BFF Board of Directors approved an extraordinary contribution of €6.7m in 2025, thereby releasing €24.4m of capital reserve and making it fully distributable, avoiding a greater future charge and ensuring maximum flexibility for future dividend distributions.

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

As of the end of December 2025, **Risk Weighted Assets ("RWAs")** – based on Basel Standard model – stand at **€4.7bn**, vs. €5.2bn at YE 2024. RWAs **density**¹² stands at **62%** vs. c. 70% at YE 2024.

Events after the FY 2025 reporting period

Revised 2026 financial targets

On 2nd February 2026, BFF announced a revision of its 2026 financial targets, following the approval of a more conservative 2026 budget, on the basis of lower 2025 loan growth and collection performance:

- Adjusted Net Income: c. €160m, from c. €240m;
- Earnings per share: c. €0.8, from c. €1.3;
- Cost/Income ratio (%): <50%, from <40%;
- Return on Tangible Equity: c. 24%, from >40%.

The targets do not take into account any impact from a potential securitization and include effects of possible negative court rulings expected for the year. Tail of court rulings on ordinary legal actions cases are expected in 2026/ 2027.

¹² Calculated as RWAs/Total assets excluding HTC bond portfolio and Cash and Cash Balances.

Change in corporate leadership

Separately, on 2nd February BFF announced that its Board of Directors appointed Giuseppe Sica as General Manager, entrusting him with full powers previously held by Massimiliano Belingheri. Giuseppe Sica initially joined BFF as Chief Financial Officer in February 2025 following a long-standing career working for leading international financial institutions, including as an advisor to BFF during key moments of the bank's development.

Massimiliano Belingheri stepped down from his role as CEO, to ensure full cohesion and alignment within the Board of Directors and with the Management Team of the Bank. He will continue to serve the Bank in his role as non-executive Board Member.

The auditing firm is completing the auditor review of the financial statements, as well as the activities for the issue of the statement in accordance with art. 26 (2) of Regulation EU n. 575/2013 (ECB/2015/4) and with the Bank of Italy Communication of January 22nd 2016. The parent company draft separate financial statements and the consolidated financial statements as at 31st December 2025 will be submitted for approval at the meeting of the Board of Directors scheduled for 30 March 2026. The parent company separate financial statements will be submitted for the approval of shareholders at the Ordinary Meeting scheduled for 30th April 2026.

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

FY 2025 consolidated results will be presented today, 10th February, at 18:30 CET (17:30 GMT) 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 2025 it reported a consolidated Adjusted Net Profit of €151.7 million, with a 14.1% Group CET1 ratio at the end of December 2025.

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Consolidated Balance Sheet (Values in € thousands)

Assets items	31-Dec-24 Restated	31-Dec-25
Cash and cash equivalents	153,689	124,577
Financial assets measured at fair value through profit or loss	179,319	181,243
a) <i>financial assets held for trading</i>	1,504	1,358
b) <i>financial assets designated at fair value</i>	-	-
c) <i>other financial assets mandatorily measured at fair value</i>	177,815	179,885
Financial assets measured at fair value through Other Comprehensive Income	141,442	151,718
Financial assets measured at amortized cost	10,647,438	10,847,242
a) <i>due from banks</i>	602,651	854,821
b) <i>due from customers</i>	10,044,787	9,992,421
Hedging instruments	303	-
Equity investments	13,690	15,323
Property, plant, and equipment	104,750	104,212
Intangible assets	77,519	67,240
<i>of which: goodwill</i>	30,957	30,957
Tax assets	114,208	123,410
a) <i>current</i>	53,388	68,926
b) <i>deferred</i>	60,821	54,484
Discontinued operations and non-current assets held for sale	-	-
Other assets	712,511	675,939
Total consolidated assets	12,144,869	12,290,904

Liabilities and Equity items	31-Dec-24 Restated	31-Dec-25
Financial liabilities measured at amortized cost	10,661,212	10,783,741
a) deposits from banks	1,342,119	1,307,147
b) deposits from customers	8,709,179	8,856,635
c) securities issued	609,914	619,959
Financial Liabilities Held for Trading	139	778
Hedging derivatives	-	186
Tax liabilities	175,256	165,646
a) current	2,794	1,585
b) deferred	172,462	164,061
Other liabilities	388,397	365,213
Employee severance indemnities	3,372	3,508
Provisions for risks and charges:	54,804	47,959
a) guarantees provided and commitments	258	64
b) pension funds and similar obligations	6,937	6,329
c) other provisions	47,609	41,567
Valuation reserves	21,085	30,035
Additional Tier1	150,000	150,000
Reserves	263,544	461,987
Share premium	66,277	66,277
Share capital	145,006	145,399
Treasury shares	(3,570)	-
Profit (Loss) for the period	219,346	70,174
Total consolidated liabilities and equity	12,144,869	12,290,904

Consolidated Income Statement (Values in € thousands)

Profit & Loss items	31-Dec-24 Restated	31-Dec-25
Interest and similar income	747,479	490,181
Interest and similar expenses	(384,178)	(266,391)
Net interest income	363,301	223,790
Fee and commission income	110,515	108,997
Fee and commission expenses	(28,417)	(22,633)
Net fees and commissions	82,098	86,364
Dividend income and similar revenue	19,844	17,088
Gains/(Losses) on trading	7,892	15,978
Fair value adjustments in hedge accounting	-	-
Gains/(Losses) on disposals/repurchases of:	3,331	10,455
a) <i>financial assets measured at amortized cost</i>	3,331	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> :	(7,017)	(6,613)
a) <i>financial assets and liabilities designated at fair value</i>	-	-
b) <i>other financial assets compulsorily valued at fair value</i>	(7,017)	(6,613)
Net banking income	469,449	347,063
Impairment (losses)/reversals on:	(5,571)	(81,436)
a) <i>financial assets measured at amortised cost</i>	(5,571)	(81,436)
b) <i>financial assets measured at fair value through Other Comprehensive Income</i>	-	-
Net profit from financial and insurance activities	463,878	265,626
Administrative expenses:	(189,694)	(191,044)
a) <i>personnel costs</i>	(79,511)	(85,417)
b) <i>other administrative expenses</i>	(110,183)	(105,627)
Net provisions for risks and charges:	(19,884)	(2,830)
a) <i>commitments and guarantees provided</i>	273	194
b) <i>other net provisions</i>	(20,157)	(3,024)
Net (adjustments to)/writebacks on property, plant, and equipment	(3,783)	(5,495)
Net (adjustments to)/writebacks on intangible assets	(10,070)	(12,019)
Other operating (expenses)/income	60,353	29,526
Total operating expenses	(163,078)	(181,861)
Gains (Losses) on equity investments	2,424	3,562
Gains (Losses) on disposal on investments	3,954	-
Profit (Loss) before taxes from continuing operations	307,178	87,327
Income taxes on profit from continuing operations	(87,832)	(17,153)
Profit (Loss) after taxes from continuing operations	219,346	70,174
Profit (Loss) after taxes from discontinued operations	-	-
Profit (Loss) for the year	219,346	70,174

Consolidated capital adequacy *(Values in € million)*

	31-Dec-23	31-Dec-24	31-Dec-25
Credit and Counterparty Risk	182.8	342.8	324.6
Market Risk	0.6	0.4	0.1
Operational Risk	62.8	74.0	53.1
Total capital requirements	246.1	417.2	377.8
Risk Weighted Assets (RWAs)	3,076.5	5,214.7	4,721.9
CET 1	436.9	638.5	667.1
Tier I	150.0	150.0	150.0
Tier II	0.0	0.0	0.0
Own Funds	586.9	788.5	817.1
<i>CET 1 Capital ratio</i>	<i>14.2%</i>	<i>12.2%</i>	<i>14.1%</i>
<i>Tier I Capital ratio</i>	<i>19.1%</i>	<i>15.1%</i>	<i>17.3%</i>
<i>Total Capital ratio</i>	<i>19.1%</i>	<i>15.1%</i>	<i>17.3%</i>

Asset quality *(Values in € thousands)*

	31-Dec-25		
	Gross	Provisions	Net
Non-performing loans (NPLs)	129,954	(29,200)	100,754
Unlikely to pay	67,346	(8,498)	58,848
Past due	1,667,697	(61,979)	1,605,718
Total impaired assets	1,864,998	(99,678)	1,765,321

	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

	31-Dec-23		
	Gross	Provisions	Net
Non-performing loans (NPLs)	121,926	(22,120)	99,806
Unlikely to pay	19,125	(5,407)	13,718
Past due	221,236	(1,344)	219,891
Total impaired assets	362,287	(28,872)	333,414