



Press release

COMPLETION OF THE ACQUISITION OF FPS

- doValue has acquired an 80% share in the capital of FPS from Eurobank, Eurobank to continue holding the remaining 20%;
- Consideration paid by doValue equal to approximately €211 million, corresponding to contractual adjustment from the initial consideration of €248 million in Enterprise Value (for the 80% equity interest) to reflect, inter alia, FPS's financial position, actual size of servicing portfolio transferred and pro forma net economic benefits accrued between January 2020 and transaction closing, in line with the agreement signed in December 2019;
- Key terms of the acquisition in line with agreement announced in December 2019, with improved portfolio servicing terms of Eurobank loan portfolios to doValue, aimed at mitigating potential downside impacts of COVID-19:
 - Exclusivity on Eurobank future NPE production extended by 4 years from 10 to 14 years;
 - Fee structure adjusted in 2020 and 2021 for NPE and Early Arrear loans, also supporting working capital.
- doValue strengthens leadership in Southern European credit and real estate servicing market, with a portfolio of ca. €160 billion across Italy, Spain and Portugal, Greece and Cyprus;

Roma, June 5, 2020 – doValue S.p.A. (the “Company” or “doValue”) announces that, having received all necessary approvals, the acquisition of 80% of the share capital of Greek servicing company Eurobank FPS Loans and Credits Claim Management Company S.A. (“FPS”), from Eurobank SA (“Eurobank”), has been completed (the “Transaction”).

FPS is a leading player in the Greek loan and real estate servicing market, active since 2014 with an independent, pure servicing business model which does not envisage investments in loan or real estate portfolios, in line with doValue's business model.

Originally set-up as the internal Non-Performing Exposures (“NPE”) loan servicing platform of Eurobank, FPS has attracted third party servicing mandates from international investors and established itself in the Greek servicing market with an offer spanning across all asset classes: performing loans, Early Arrears Loans, Non Performing Exposures and Real Estate assets.

FPS's loan servicing portfolio comprises a total of approximately €23bn (gross book value), materially expanded as a result of the Transaction to include Eurobank's corporate loan book and newly securitized portfolios. The portfolio size has been updated to reflect the actual balance at year-end 2019 and to include

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certain transfers out by clients because of change of control rights, with a very limited effect on FPS's EBITDA expectations and resulting in a lower adjusted consideration to be paid at closing by doValue.

The quality of the loan book and the fee structure to be applied post Transaction closing are consistent with profitability expectations in excess of doValue's Group average. In order to provide an additional layer of protection in case of more difficult operating conditions caused by the Coronavirus pandemic, in particular in 2020 and 2021, the fee structure and the payment terms applicable to the main portfolios serviced by FPS have been adjusted, especially for what concerns the base fees for NPE and Early arrear loans.

The transaction, furthermore, includes a 14-year agreement (extended by 4 years as compared with the initially agreed term of 10 years) pursuant to which FPS will manage any future Early Arrears Loans and NPEs generated by Eurobank ("Forward Flow Agreement"), and the remaining stock at the end of the period. The Forward Flow Agreement further strengthens doValue's long-term relationships with prominent financial institutions in our core markets, including Unicredit and Credit Agricole in Italy, Santander in Spain and Alpha Bank in Cyprus. We believe this is a unique asset in the servicing industry.

doValue has acquired 80% of the share capital of FPS from Eurobank, which will retain the remaining 20%. FPS's corporate name will change to doValue Greece Loans and Credits Claim Management Société Anonyme with the distinctive title "doValue Greece". doValue has entered into a shareholder agreement with Eurobank that provides, among other terms, for a reciprocal lock-up period of three years and a call option right in favor of doValue that may be exercised as from the fourth year following the closing of the Transaction. The shareholders' agreement will include terms and conditions consistent with market practice. The Executive Chairman and CEO of FPS will be Messrs. Theodoros Kalantonis and Tassos Panoussis, respectively.

Consideration paid by doValue was equal to approximately €211 million, adjusted from the €248 million (€310 million for a 100% interest) disclosed at the time of transaction announcement to reflect contractual adjustments at closing, including FPS cash position and the actual servicing portfolio at year-end 2019 and the net economic benefits accrued in year 2020 to date. In addition, the Transaction envisages an earn-out of up to €50 million (€40 million for the 80% interest that doValue is acquiring), to be paid subject to the achievement of certain EBITDA targets over the course of 10 years from the closing of the transaction. Any earn-out payment will not be due before 2024 and will be based on outperforming the current business plan expectations.

The Transaction has been financed with a bank credit line underwritten by a syndicate of domestic and international banks, structured as a bridge to long-term financing, with no amortization (bullet repayment). doValue's pro-forma leverage, ratio of Net Debt to pro-forma EBITDA, is expected to be 1.9x as at March 31, 2020.

The composition of the portfolio of FPS, the terms of its servicing contracts and its exposure to the developments in the Greek servicing market are expected to positively contribute to doValue's 2020 and mid-term revenue, EBITDA and EPS expectations.

The acquisition of FPS affirms doValue's leadership in the Southern European loan and credit servicing market, further increasing the Company's product, market and client diversification. With FPS, doValue is ideally positioned to take advantage of the significant growth potential of the Greek servicing market, characterized by a short-term pipeline of more than 9 billion euro of potential mandates, significant deleveraging targets by the local banking institutions and mounting interest by international credit investors.



doValue S.p.A.

doValue, formerly doBank S.p.A., is the leading operator in Southern Europe in credit management and real estate services for banks and investors. Present in Italy, Spain, Portugal, Greece and Cyprus, doValue has some 20 years of industry experience and manages assets of more than €130 billion (gross book value) with over 2,350 employees and an integrated range of services: special servicing of NPLs, UTPs, early arrears and performing positions, real estate servicing, master servicing, data processing and provision and other ancillary services. doValue is listed on the Electronic Stock Market (Mercato Telematico Azionario) operated by Borsa Italiana S.p.A. and, including the acquisition of Altamira Asset Management, recorded gross revenues in 2019 of about €364 million with an EBITDA margin of 39%.

This press release may include forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms as “believe”, “expect”, “anticipate”, “may”, “assume”, “plan”, “intend”, “will”, “should”, “estimate”, “risk” and or, in each case, their negative, or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Company or any of its affiliates’ intentions, beliefs or current expectations concerning, among other things, the Company’s or any of its affiliates’ results of operations, financial condition, liquidity, prospects, growth, strategies and the industries in which they operate. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Company’s or any of its affiliates’ actual results of operations, financial condition and liquidity, and the development of the industries in which they operate may differ materially from those made in or suggested by the forward looking statements contained in this press release. In addition, even if the Company’s or any of its affiliates’ results of operations, financial condition and liquidity, and the development of the industries in which they operate are consistent with the forward looking statements contained in this press release, those results or developments may not be indicative of results or developments in subsequent periods.

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