



PRESS RELEASE

Prelios Credit Servicing Master and Special Servicer in Project Exodus of Banco BPM

Milan, 15 June 2018 - **Prelios Credit Servicing (PRECS)** – a company belonging to the **Prelios Group**, which boasts a total of about **€26 billion of Assets Under Management** – will act as **Master and Special Servicer** in the transaction to securitize a portfolio of non-performing loans originating from the **Banco BPM Group** and sold to the vehicle Red Sea SPV S.r.l. on 1 June.

The securitization transaction, called “**Project Exodus**”, concerns a portfolio of non-performing loans that are mostly mortgages having a total gross exposure of about **€5.1 billion**.

The structure of the securitization is aimed at obtaining the **Italian government guarantee (“GACS”)** on senior securities pursuant to Italian Legislative Decree no. 18/2016. The senior, mezzanine and junior securities were issued today.

“It is a particularly important transaction for the Italian market since it regards both size and the significant quality characteristics of the portfolio,” said **Riccardo Serrini, CEO of PRECS** and of the **Prelios Group**.

“Public securitization with GACS has proven to be the best tool at the banking system’s disposal for deconsolidating non-performing loans and for maximizing the transfer value,” Serrini added. “PRECS has developed its leadership position with a market share of over 60% owing to its high levels of specialisation based on a strong track record and solid recovery curves.”

Once finalised, the current transaction set in motion by Banco BPM will become the **fifth GACS finalised in Italy thanks to the role played by Prelios Credit Servicing**.

Project Exodus is the first securitization with GACS benefitting from the intervention of the Prelios Group following the company’s delisting on 14 May after the full take-over bid launched by Lavaredo S.p.A.

“Managing deteriorated loans is urgent for many Italian banks, and the Prelios Group can play an important role in solving this problem since we have expertise and experience to offer whoever requires them,” stated the CEO of the Prelios Group. “We are the only integrated platform that internally manages all phases of the real estate cycle, starting from servicing primarily mortgage loans, including asset management, and up to real estate services.”

The Prelios Group is the gateway to the Italian asset management, credit servicing and real estate integrated services market. Chairman of the Prelios Group is Fabrizio Palenzona. The CEO is Riccardo Serrini.

The Prelios Group transferred to its new HQ in via Valtellina in Milan, Italy in May 2018 and gives jobs to about 450 employees in Italy and Europe, over 300 of whom at the Group’s Milan HQ. It is one of the leading Italian and European providers in alternative asset management and in specialised real estate services, with roughly €26 billion total assets under management.

In 2017, the Prelios Group recorded an improvement in its major economic-financial indicators: consolidated EBIT up (+72%) to €6.9 million (€4.1 million in 2016); consolidated revenue up (+5%) to €80.4 million (€76.8 million in 2016); consolidated net profit net of the investment component positive at +€2.6 million (-€11.1 million in 2016); net financial position receivable for €1.3 million (-6.5 million at 31 December 2016). Following the mandatory full take-over bid launched by Lavaredo S.p.A., Prelios S.p.A. shares were delisted by the Borsa Italiana electronic equity market (MTA) on 14 May 2018.

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