



Strategic Guidelines Be Group Growth & Targets 2017

STAR CONFERENCE , Milan 24.03.2015

AGENDA

- **Building excellence in the Banking and Insurance Industry in Europe**
- Guidelines & Targets 2015-2017



Building excellence in the Banking & Insurance Industry

«Be The Best in the Financial Services Arena»



Our Mission

- Supporting leading Banking Institutions and Insurance companies through our superior ability in managing high complexity related to transformation initiatives, innovation programmes and compliance matters;
- Assisting our clients in succeeding in their major challenges:
 - Rethink their business
 - Manage Digital Revolution
 - Solve Regulatory Issues
 - Excel in Operations
 - Improve Performance & Risk Control

A Value Proposition based on

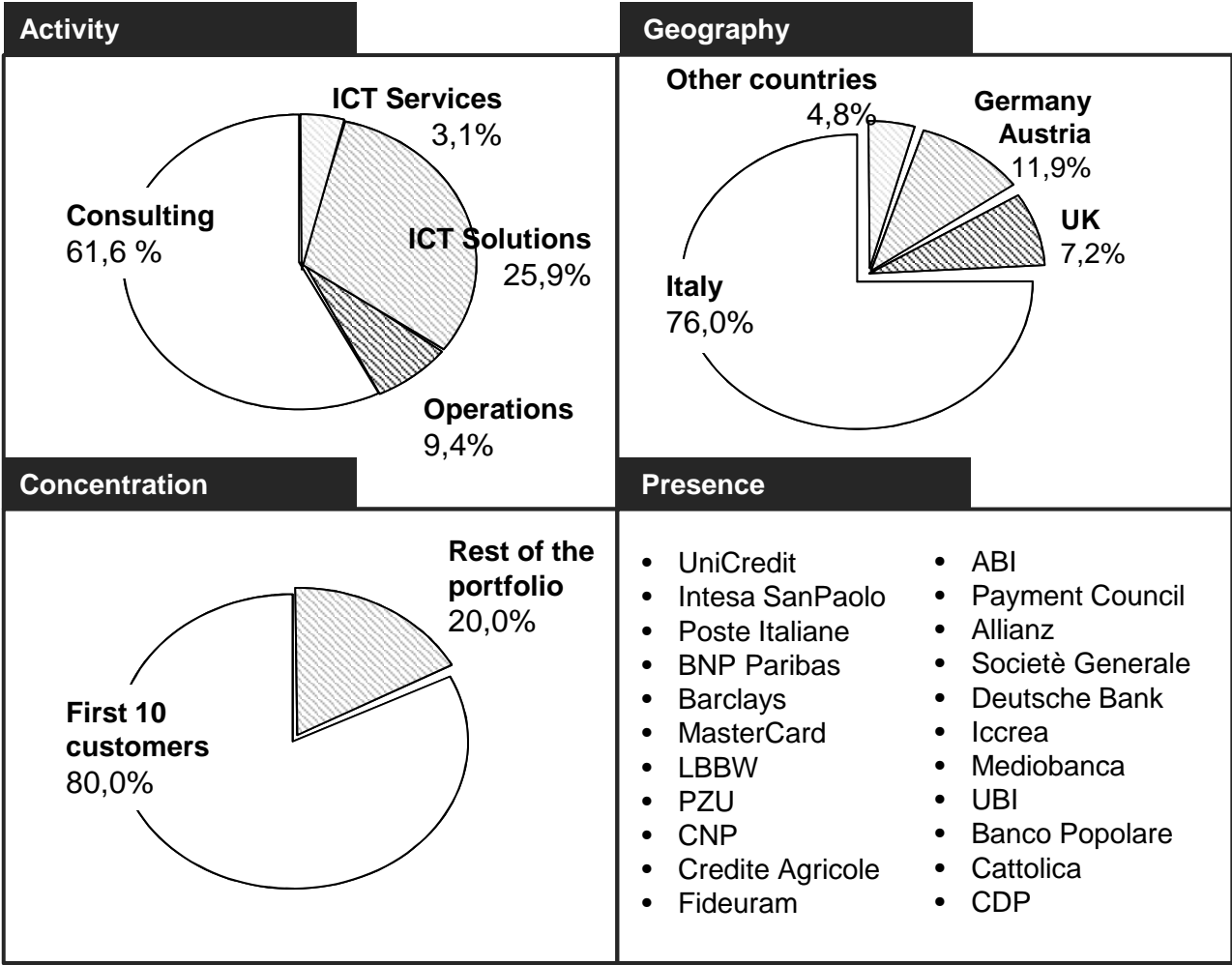
- The outstanding talent and specialisation of our professional resources
- A deep knowledge of financial and insurance topics
- A unique positioning in the middle ground between strategy and ICT solutions
- A track record as trusted consultants for many of the Financial Services industry leading organisations
- An Pan-European capability to deliver and a real multi-cultural environment, due to our presence in 8 different countries
- A continuous search for the improvement of our performance and a relentless passion to achieve excellence

We want to be among the **Top 3** Companies providing «**Consulting and ICT Services**» to the «**Banking & Insurance Industry**» in the «**European Theatre**».



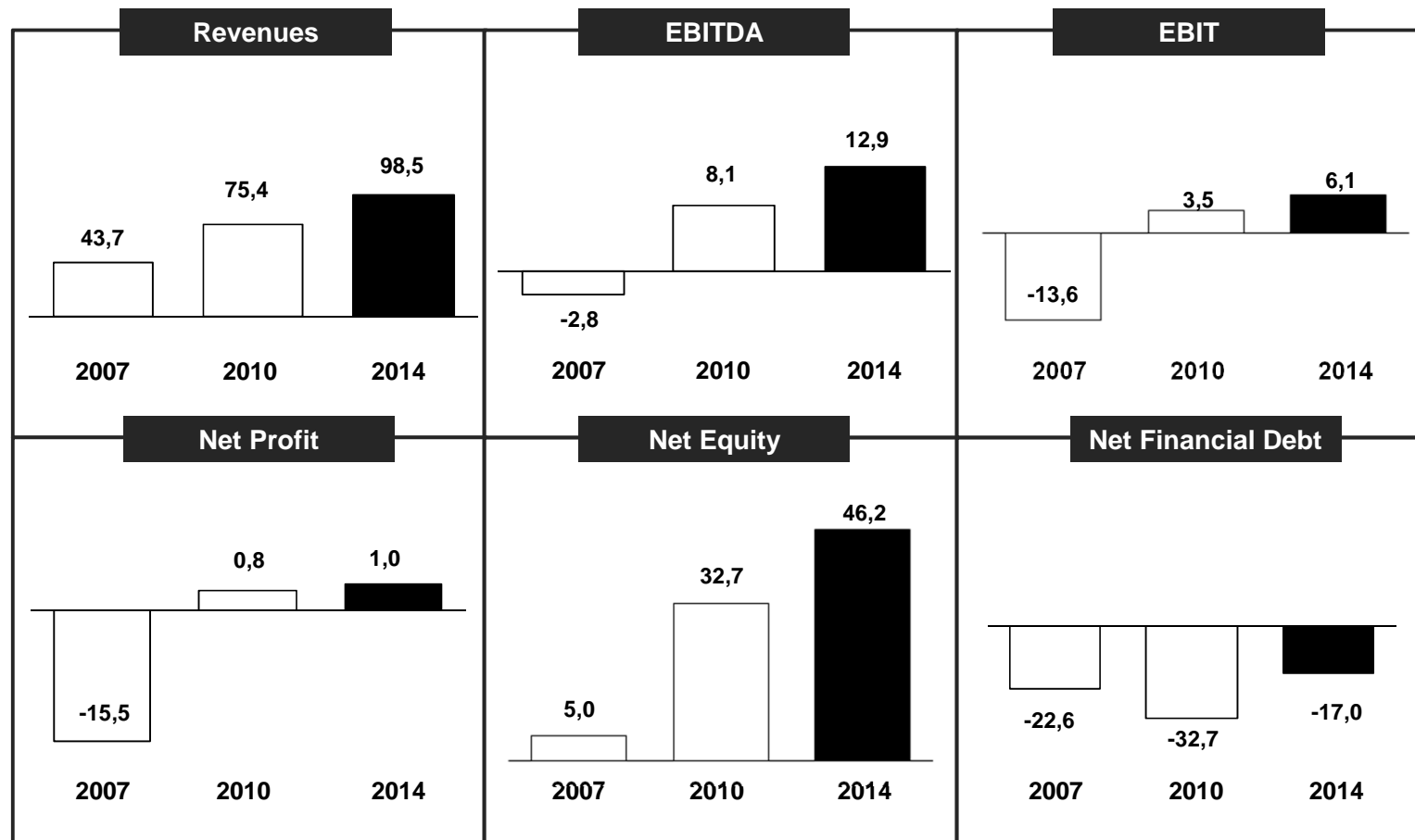
Building the excellence in Finance & Insurance

Revenue Portfolio Structure



Building the excellence in Finance & Insurance

Key Financials



Figures at 31.12 for each year



Building the excellence in Finance & Insurance

Be Core Strengths (1/2)



Building a real Leadership in Europe



A Unique Service Portfolio From Business to ICT



Outstanding Capabilities in the Financial Industry

-
- Cards and payments
 - Core payments redesign
 - Target Operating Model design
 - Mobile financial services
 - Customer acquisition
 - Asset management
 - Financial crime and AML
 - Core banking systems transformation
 - Complaints management
 - Regulatory and Compliance
 - Product pricing
 - Processes and organization
 - Transformation & Change
 - Planning & Control
 - Insurance services
 - Customer experience transformation
 - Back office operational transformation
 - Business Process Management
 - Commercial lending
 - Credit & Liquidity risk
 - Operational Risk management
 - IT Governance
 - IT Strategy and Legacy modernization
 - Post Merger Integration
 - Divestment and separations
 - Application development
 - Vendor selection support
 - Capital Market Solutions
 - Marketing & Loyalties
 - Enterprise governance systems

Building the excellence in Finance & Insurance

Be Core Strengths (2/2)



Be's capabilities for a digital world

We have built a set of unique capabilities which allow us to deliver digital projects in financial services



Data analytics

We have over 60 data analytics experts who create innovative, data-based solutions to financial services issues.

- Social network analysis
- Web and text mining
- Predictive analytics
- Customer profiling
- Risk analysis
- Fraud and crime detection
- Digital marketing
- Automation technology
- Dynamic asset allocation



Agile delivery

iBe provides agile delivery methods and capabilities which recognise today's imperative to deliver at speed and iteratively.

- Scrum approach
- Programme management
- Benefits realisation
- Project management



Fin-tech partners

iBe can leverage an extensive partner network of both small and large fin tech companies whose business and technology we understand deeply.

- Rapid prototyping
- Payments
- Workflow automation
- Mobile applications
- Customer loyalty
- e-Signatures
- Workforce mobility
- Peer-to-peer



Operational improvement

We have operational improvement capabilities which have been deployed in digital programmes.

- Digital maturity modelling
- Agile operating model design
- Enterprise architecture
- Process automation
- Straight through processing

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- **Guidelines & Targets 2015-2017**



Guidelines & Target 2015-2017

Competitive Environment: Key trends and Success factors



- **The spread of digital technology is transforming the business environment**
 - 29 million internet/mobile customers in Italy, more than 80% of the population with internet connection, + 6% growth of e-commerce up to 22.3 billion/€ transactions.
 - E-commerce volume is grown by over 100% in Germany and Poland;
 - Electronic transactions through smartphones and tablets are estimated at 9.7 billion/€ in UK (+63% compared to 2013)
 -
- **The Financial Services industry is one of the first and most impacted sectors**
 - Distribution systems still designed for customers with low propensity to digital access;
 - Only few players have yet successfully integrated different channels (branches, web, apps, phone,...);
 - The use of "Big Data" is starting to generate projects that create real value;
 - The payment industry is the most exposed to the risk of disintermediation (Apple Bank, Payment Institutions, Telecoms initiatives,...).
 - The insurance industry faces similar challenges and is expected to devote most of the effort to: increase **processes efficiency**, invest on **new channels and client relationship models**, improve business **performance** and develop **new products**.
- **Banks will face four major challenges during the next 36 months**
 - **Customer Centricity** requires financial players to develop the innovation value-chain: analytics, data monetization, big data, mobile and innovative payments, loyalty and marketing.
 - **Regulatory compliance** increasingly forces banks to purchase new range of services from companies with vertical expertise and high specialisation.
 - **Back Office Consolidation/Cost Reduction strategies** require both specialization and deep customer knowledge.

Guidelines & Target 2015-2017

Outlook, Business Consulting & System Integration in EU

- Gartner and Assinform report that markets where Be is operating (UK, DE, IT, AU, CEE, PL, RO, CH) are **growing between 4.2 and 6.6% from 33 billion/€ 2014 to over 37 billion/€ in 2017**, if we only consider management consulting and a subset of ICT services.
- **About 27% of the entire market (between 8.9 billion/€ 10.0 billion/€) comes from Banking and Insurance.** In Italy, financial players are expected to have limited spend growth compared to these standards (between 2% and 5% across different segments).
- **Be is one of the top 30 players in Italy in the “ICT Consulting” segment.** The Group includes a range of companies with different and complementary value propositions.
- Our company is of course significantly smaller in size than the Italian listed competitors. However, if we focus **the comparison solely to the Financial Services industry, we have a leadership position.** The development of our brand will be driven by our industry focus and specialization on assisting the largest financial players on complex cross-border initiatives.
- In this market segment, where the demand for professional services is far from being saturated by the offer, **the growth potential for players like Be is higher than in the rest of the industry.**
- The ability to "originate" new business, the composition of the service portfolio, the relatively young business model and the opportunity to access a wide range of professional skills at different levels of seniority are our key challenges for growth.



Guidelines & Target 2015-2017

The objectives of the Plan(1/2)

- 1** **Increase the share of non-Italian revenues from current 20% to 35% by 2017.** The expectation is based on the increasing sales volume from targit GmbH (Germany, Austria and Switzerland), the strong growth of our “digital hub” (operating in UK, Italy and Germany) and the development of the new venture in the Sports, Media and Entertainment segment.
- 2** **Strongly increase the revenue volume for Consulting services.** We expect to consolidate on the domestic market and to increasingly gain access to medium-large size projects of international scale, while expanding our services portfolio through access to new competencies.
- 3** **Recover margin in ICT services** (from 13% to the 18%). We expect the existing ICT business lines – Enterprise Data Governance, Insurance, Utilities – to develop steadily. This will be driven by the hiring of new highly specialized resources and reduction of external contractors.
- 4** **Invest on the “Be” brand.** We are revising the current exposure of Be on the Internet and the main professional social networks. We plan to invest on the continuous improvement of our performances by launching of "quality review" and "customer satisfaction" initiatives.
- 5** **Engage more than 1,500 "professionals" in 2017.** We plan to fuel the growth of our business with high qualified and cutting-edge competencies in ICT and business consulting.
- 6** **Reduce our Net Financial Position from 24.7 ml / € as of 30.06.2014 to about 13 ml / € at the end of 2017.** Our cash flow projections are based on the planned EBITDA growth and consider our debt re-payment obligations and the investment required to streamline operations.
- 7** **Distribute dividends.** Given the expected results, we believe that during 2015-2017 dividend distribution will be compatible with strengthening the Group’s financial position.

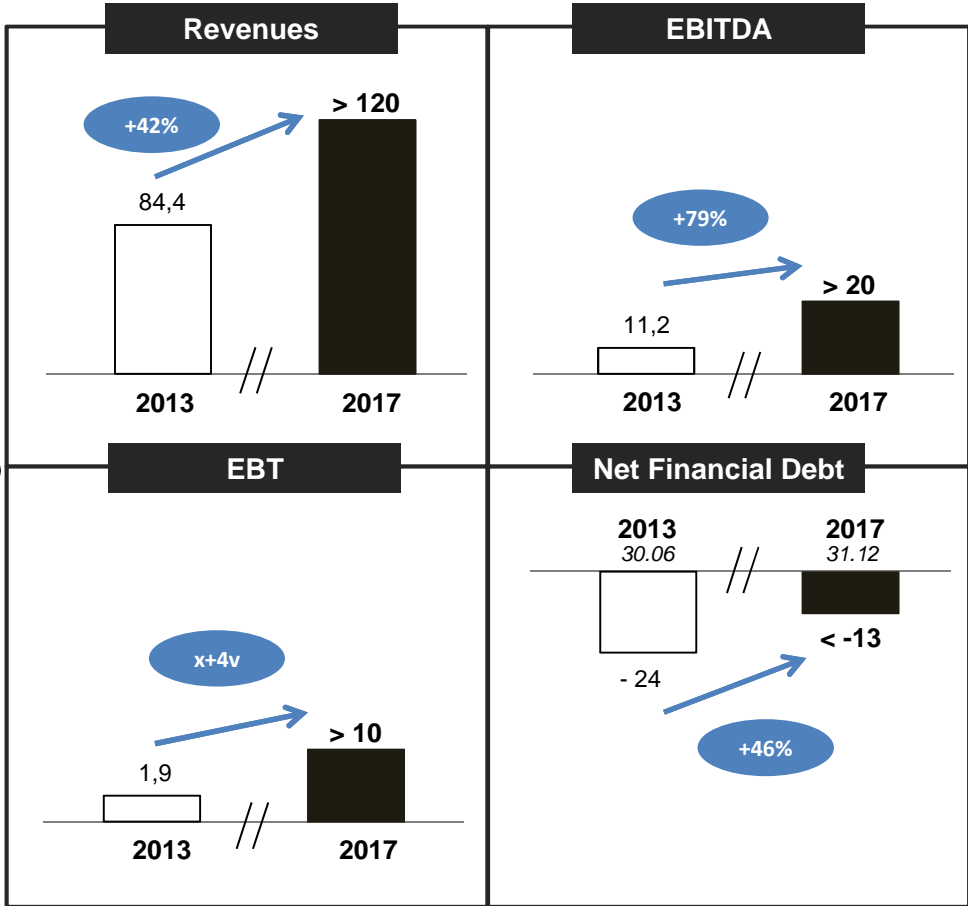
Lines of development and target 2015-2017

Plan targets 2017



Key Assumptions

- The 2015-2017 Plan is based on the current business perimeter.
- Although these may have a limited and indirect impact on the company results, the plan also takes into account a number of macroeconomic variables for the geographies in scope:
 - Limited GDP growth in 'the "Eurozone" (1.5% on average).
 - 3-month Euribor expected to remain stable for 2015 with a recovery of +0.20% in 2016 and +0.50% at the end of 2017
- We do not expect substantial changes in foreign exchange rates in the medium term.
- Possible fluctuation in the value of UAH (Ukraine) and RON (Romania) are expected to be mitigated by client agreements that link revenue volumes to USD.



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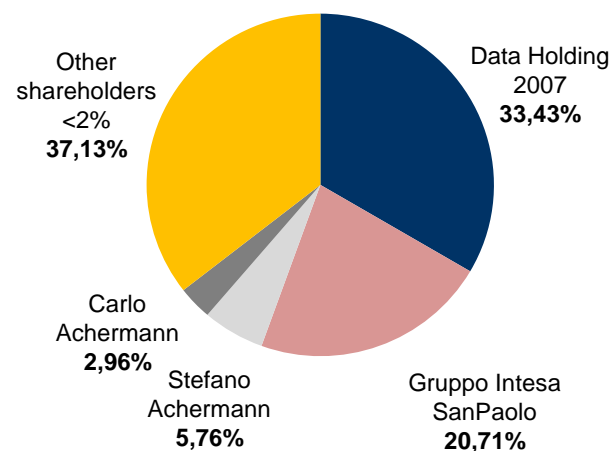
Appendix

Be «at a glance»

Be Group is presently one of the most important Italian players in the IT Consultancy offering distinctive solutions and expertise in highly specialized fields for the main industrial and financial companies.

| Financial Results (m€) | 2011 | 2012 | 2014 |
|------------------------|-----------|-----------|-------------------------------|
| • Total Revenues | 88,8 | 80,4 | 98,5 |
| • EBITDA | 10,1 | 9,3 | 12,9 |
| • Net Profit | 1,2 | 0,7 | 1,0 |
| • Net Financial Pos. | -39,5 | -31,6 | -17,0 |
| • People | 814 | 763 | 874 |
| • Countries | Italy, UK | Italy, UK | Italy,UK, East Eur Ger; |

Shareholders, (31/12/14)



Stock Performance, (18/03/15)



| Player/Index | Annual Perform. |
|--|--------------------|
| Be | +55,58% |
| FTSE MIB | +8,78% |
| FTSE Italia Small Cap | -0,40% |
| FTSE Italia STAR | +22,66% |
| Broker Report | |
| Intermonte, 13/03/15 | Target Price: 0,80 |
| Banca IMI, 18/03/15 | Target Price: 0,91 |
| Stock Market Price 16/03/15: 0,58 | |

Appendix

Economic accounts 2010-2014

| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | Var.% YoY | FY 2014 |
|--|---------------|---------------|---------------|---------------|--------------|----------------|
| Sales * | 69.837 | 85.046 | 74.559 | 74.903 | 0% | 97.602 |
| Other revenues | 5.534 | 3.807 | 5.819 | 9.513 | 63% | 2.425 |
| Revenues | 75.371 | 88.853 | 80.378 | 84.416 | 5% | 100.027 |
| Production costs | (31.075) | (34.838) | (28.675) | (29.104) | 1% | (35.275) |
| Personnel costs | (34.370) | (41.095) | (40.877) | (41.587) | 2% | (50.271) |
| Other costs | (1.623) | (1.512) | (1.499) | (2.520) | 68% | (1.553) |
| Provisions | (226) | (1.328) | 0 | 0 | 0% | 0 |
| EBITDA | 8.077 | 10.081 | 9.327 | 11.205 | 20% | 12.928 |
| % on sales | 12% | 12% | 13% | 15% | | 13% |
| Amortization | (4.050) | (3.991) | (4.079) | (5.954) | 46% | (6.015) |
| Depreciation and provisions | (509) | (55) | (1.133) | (959) | -15% | (805) |
| EBIT | 3.518 | 6.035 | 4.115 | 4.293 | 4% | 6.108 |
| % on sales | 5% | 7% | 6% | 6% | | 6% |
| Net Financial Charges | (1.421) | (2.319) | (2.882) | (2.378) | 17% | (2.303) |
| Profit before taxes | 2.097 | 3.716 | 1.233 | 1.915 | -55% | 3.805 |
| % on sales | 3% | 4% | 2% | 3% | | 4% |
| Taxes | (1.045) | (2.403) | (778) | (1.527) | 96% | (2.556) |
| Minorities | (1) | (98) | 234 | (16) | -107% | (207) |
| Gain (Loss) from assets to be discontinued | (250) | 0 | 0 | 0 | n.a. | 0 |
| Net Profit | 801 | 1.215 | 688 | 371 | 46% | 1.042 |
| % on sales | 1% | 1% | 1% | 0% | | 1% |

* Includes Internal Capitalization

Appendix

Balance sheets 2010-2014



| | 31.12.10 | 31.12.11 | 31.12.12 | 31.12.13 | 31.12.14 |
|-------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Non current assets | 71.401 | 75.559 | 75.639 | 82.344 | 80.538 |
| Current assets | 37.250 | 42.812 | 37.229 | 29.695 | 31.320 |
| Assets held for sale | 758 | 0 | 0 | 0 | 0 |
| Total Assets | 109.409 | 118.371 | 112.869 | 112.040 | 111.858 |
| Shareholders' Equity | 32.723 | 34.187 | 33.998 | 45.869 | 46.185 |
| Non current liabilities | 27.731 | 18.250 | 22.681 | 22.225 | 25.897 |
| Current liabilities | 47.497 | 65.934 | 56.190 | 43.946 | 39.776 |
| Liabilities held for sale | 1.458 | 0 | 0 | 0 | 0 |
| Total Assets and Liabilities | 109.409 | 118.371 | 112.869 | 112.040 | 111.858 |



Appendix

Net Financial Position 2010-2014

| | 31.12.10 | 31.12.11 | 31.12.12 | 30.12.13 | 31.12.14 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Cash | 27 | 18 | 10 | 0 | 0 |
| Other cash equivalents | 3.148 | 3.273 | 1.353 | 6.348 | 8.521 |
| Other financial receivables | 27 | 688 | 8.020 | 2.712 | 403 |
| Liquidity | 3.202 | 3.979 | 9.383 | 9.060 | 8.924 |
| Current bank debts | (20.336) | (33.983) | (20.809) | (16.399) | (13.841) |
| Currents debts to other lenders | (1.630) | (969) | (7.532) | (1.037) | (380) |
| Current Financial Debt | (21.966) | (34.952) | (28.341) | (17.436) | (14.221) |
| Non current bank debts | (12.886) | (5.274) | (12.309) | (11.124) | (11.668) |
| Non currents debts to other lenders (including put&call) | (1.075) | (3.286) | (340) | 0 | 0 |
| Non Current Financial Debt | (13.961) | (8.560) | (12.649) | (11.124) | (11.668) |
| NET FINANCIAL DEBT | (32.725) | (39.533) | (31.607) | (19.500) | (16.965) |