

Press release

Consent Solicitation for Banca Farmafactoring S.p.A.'s €300,000,000 2.75 per cent. Notes due 2017

Milan, 2nd September 2016 – Banca Farmafactoring S.p.A. (the **Issuer**) today announces an invitation to holders (the **Noteholders**) of the €300,000,000 2.75 per cent. Notes due 2017 (ISIN: XS1075173085) (the **Notes**) to consider and, if thought fit, pass an Extraordinary Resolution to grant a waiver of compliance with certain Conditions (the **Consent Solicitation**), being made on the terms and subject to the conditions contained in the consent solicitation memorandum dated 2 September 2016 (the **Consent Solicitation Memorandum**).

Copies of the Consent Solicitation Memorandum are available from the Solicitation Agent and the Tabulation Agent as set out below. Capitalised terms used in this announcement but not defined have the meanings given to them in the Consent Solicitation Memorandum.

Details of the Consent Solicitation

The Issuer is seeking the consent of the Noteholders to waive all and any events of default under the Conditions that have arisen or may arise as a result of a cross-default and/or any other default, potential event of default or event of default (howsoever described) under the Issuer's and/or any of its subsidiaries' loan agreements, credit agreements, debt instruments and/or other obligations, that may have arisen or may arise directly or indirectly (including as a result of any default under any other obligation), from or in connection with, the Delisting of Magellan S.A., the Polish subsidiary of the Issuer.

A Delisting would be an event of default under the terms and conditions of the two outstanding bonds of Magellan (the mBank Bonds and the Alior Bonds) and Magellan's Default would, in turn, trigger the Issuer's Default.

The Issuer's objective is, therefore, to prevent and/or cure all or any potential event of default, event of default and/or cross-default that may have arisen or may arise under the Issuer's indebtedness, directly or indirectly, as a result of, or in connection with, the potential Delisting.

Subject to the Extraordinary Resolution becoming effective, Noteholders (other than Ineligible Noteholders) who validly vote in favour of the Proposal by delivering or procuring the delivery of a valid Consent Instruction will be entitled to receive the Consent Fee on the Payment Date, if a valid Consent Instruction has been delivered by the Expiration Deadline, equal to 0.35 per cent. of the aggregate principal amount of the Notes which are the subject of the relevant Consent Instruction.

Questions and requests for assistance in connection with (i) the Consent Solicitation may be directed to the Solicitation Agent, and (ii) the delivery of Consent Instructions may be directed to the Fiscal Agent, the contact details for each of which are set out below.



Consent Solicitation Agent:

Morgan Stanley & Co. International plc (+44 20 7677 5040,
liabilitymanagementeuropa@morganstanley.com)

Fiscal and Tabulation Agent: Citibank, N.A., London Branch (+44 20 7508 3867,
Exchange.gats@citi.com)

Expected Timetable of Events

Launch Date/Announcement of Consent Solicitation and Proposal	2 September 2016
Deadline for material modifications	2:00pm (London time) on 20 September 2016
Expiration and Revocation Deadline	2:00pm (London time) on 22 September 2016
Meeting	2:00pm (London time) on 26 September 2016
Announcement and publication of results of the Meeting	26 September 2016 or as soon as reasonably practicable

The above times and dates are subject to the right of the Issuer to extend, amend, withdraw and/or terminate the Consent Solicitation (subject to applicable law and as provided in the Consent Solicitation Memorandum).

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes (including the Clearing Systems) as to when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to submit or revoke Consent Instruction before the deadlines specified above.

DISCLAIMER This announcement must be read in conjunction with the Consent Solicitation Memorandum. This announcement and the Consent Solicitation Memorandum contain important information which should be read carefully before any decision is made with respect to the Consent Solicitation. If any Noteholder is in any doubt as to the contents of the Consent Solicitation Memorandum or the action it should take, it is recommended to seek its own financial advice, including in respect of any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the Consent Solicitation. None of the Issuer, the Solicitation Agent or the Tabulation Agent makes any recommendation whether Noteholders should participate in the Consent Solicitation.

DISTRIBUTION RESTRICTIONS

The distribution of this announcement and the Consent Solicitation Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and/or the Consent Solicitation Memorandum comes are required by each of the Issuer, the Solicitation Agent and the Tabulation Agent to inform themselves about, and to observe, any such restrictions.

Contacts

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