Nexi

Q1 2019 Results Presentation

May 10th, 2019

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Executive Summary

Q1 results highlights

Strong focus on financial delivery

- **EBITDA +21.0% YoY growth**, at 110.6 €M in Q1’2019
- **Revenues** +5.1% YoY reported growth at 226.5 €M in Q1’2019,
  +6.8% YoY underlying growth excluding run-off of zero-margin hardware reselling contracts from acquisitions

Continued progress on key business initiatives

- **Merchant Services and Solutions** (47% of Revenues): good progress on SME Smart POS proposition, large merchants omni-channel and E-commerce
- **Cards and Digital Payments** (41% of Revenues): continuous progress on international debit, acceleration on YAP millennials payments app and CVM up/cross selling activities
- **Digital Banking Solutions** (12% of Revenues): new propositions rollout (Digital Corporate Banking, ATM, Open Banking) supporting underlying growth from H2
- **Cost** initiatives and integration synergies contributing to -6.5% YoY reported costs reduction,
  -4.0% YoY excluding run-off of zero-margin hardware reselling contracts, despite continued investments
- Non-recurring costs below EBITDA ~**-60% YoY**
- IT strategy delivery progressing according to plan

Overall Q1 results well on track to deliver Financial Guidance

Nexi: The leading PayTech with full coverage of the payments ecosystem

% of Group Revenues

	Merchant Services & Solutions (~50%)	Cards and Digital Payments (~40%)	Digital Banking Solutions (~10%)
	One-stop solution provider for merchants of all categories and size	*Comprehensive portfolio, leading towards complete digitalisation of payments*	*Driving adoption of advanced banking solutions and developing Open Banking*
Business Activities	SME solutions; Large merchants omni-channel; e-Commerce & Invisible Payments; Data-enabled products	Consumer Cards; Commercial Cards; Mobile Payments; Payment Apps	Instant Payments; ATMs; Digital Corporate Banking; PSD2 (Gateway) & Open Banking
Scale [1]	~890k Merchants served; €249bn Value of Transactions; 3.2bn Number of Transactions	41m Payment Cards Managed; €197bn Value of Transactions; 2.4bn Number of Transactions	936m Number of Clearing Transactions; 13.4k ATMs managed; ~420k Corporate Banking Workstations
Share of Served Market [2]	~70%	~60%	16-70%

Clients Served

INTESA SANPAOLO, Deutsche Bank, Monte dei Paschi di Siena, Crédit Agricole (Cariparma | Friuladria | Carispezia), Banca Mediolanum, Trenitalia, Vodafone, Eni, UBI Banca, Banco BPM, Banca Popolare di Sondrio, Banco Desio, Gruppo Bancario Credito Valtellinese, BPER: Banca

150 Banks | *>800k SMEs* | *~30m Cardholders*

Key Figures 2018 PF

Revenues: 931 €M (+ 6% YoY) | EBITDA: 424 €M (+ 15% YoY)

Source: Company information. (1) 2018 data. (2) Merchant Acquiring and Card Issuing data refer to International Schemes only 2018; Digital Banking solutions shares are based on 2018 data (excl. Clearing based on 2017).

Financial guidance

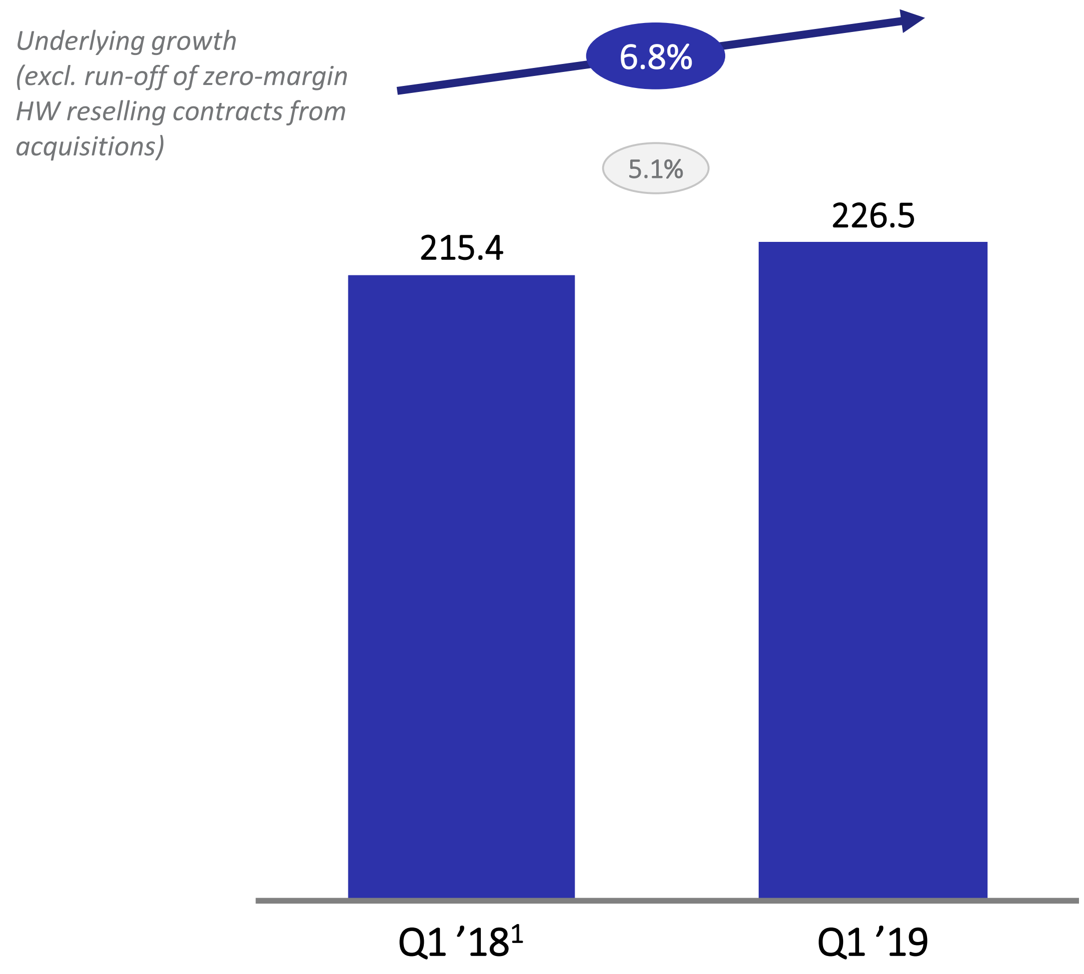
Net Revenues	▪ **5-7% annual net revenue growth** over medium term ▪ 2019 growth at lower end of range due to one-time effect of selected contracts run-offs[1]; growth after 2019 at higher end of the range
EBITDA	▪ **13-16% annual EBITDA growth** over medium term ▪ **2019 EBITDA of ~€490 million**, implying YoY growth at the **upper end of range** ▪ Continued **strong operating leverage**
Non-recurring Items	▪ **>60% reduction in non-recurring items in 2019**[2] ▪ Rapid further decrease of non-recurring items affecting reported EBITDA thereafter
Capex	▪ **8-10% ordinary capex as % of net revenues** over long term ▪ Total capex in 2019 (including ordinary and transformation capex) at 16-17% of net revenues ▪ **Total capex to trend towards ordinary capex as % of net revenues** over medium to long term
Capital Structure & Capital Allocation	▪ **Organic de-leveraging** with **target net debt of ~2.0-2.5x EBITDA over medium to long term** ▪ **Invest in organic growth**; potentially consider accretive and strategically compelling M&A ▪ **Progressive moderate dividend policy**, targeting pay-out ratio of 20-30% of distributable profits in medium to long term

Source: Management information
Notes: (1) Run-off of zero margin HW reselling contracts of acquired businesses
(2) Non-recurring items affecting reported EBITDA in 2019, excluding extraordinary IPO/refinancing expenses

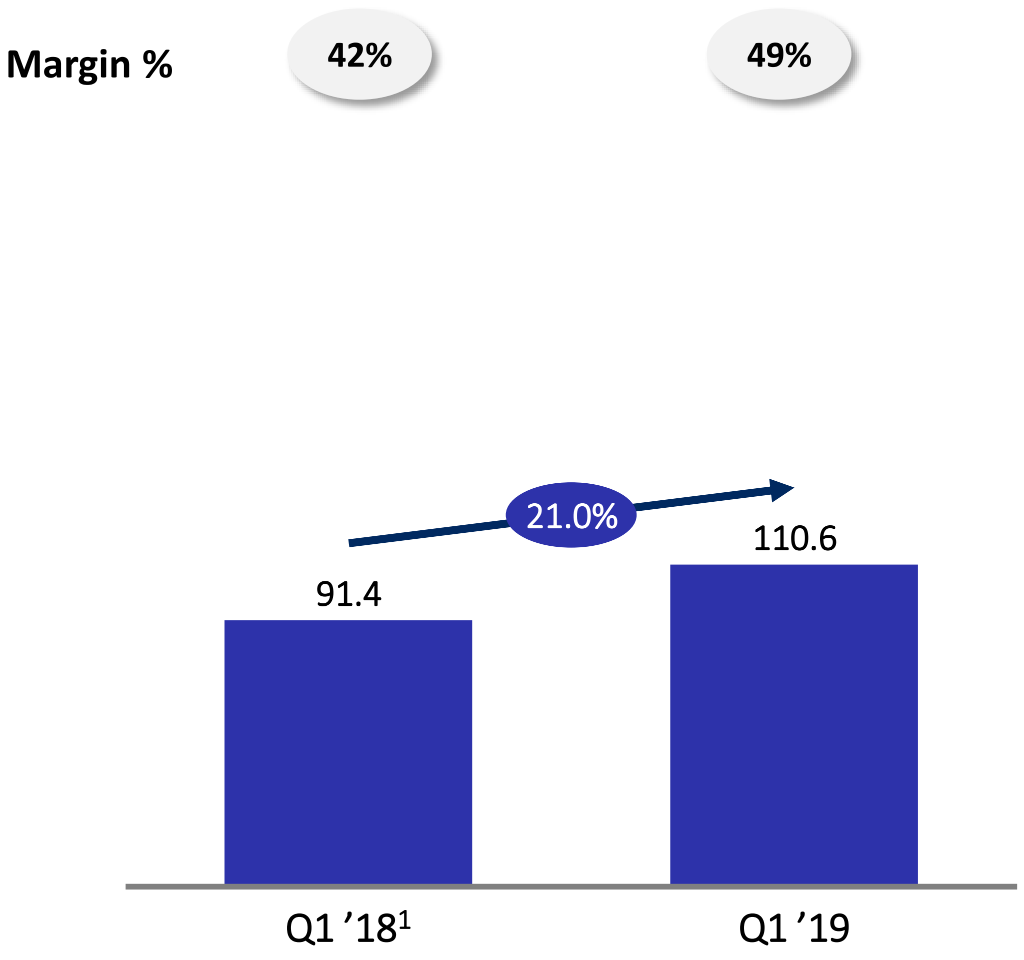
Q1 2019 Key-Financials

Healthy revenue growth and strong EBITDA performance

Net Revenues (€M)

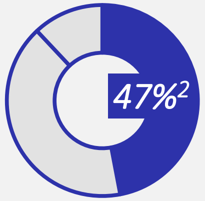


EBITDA (€M)



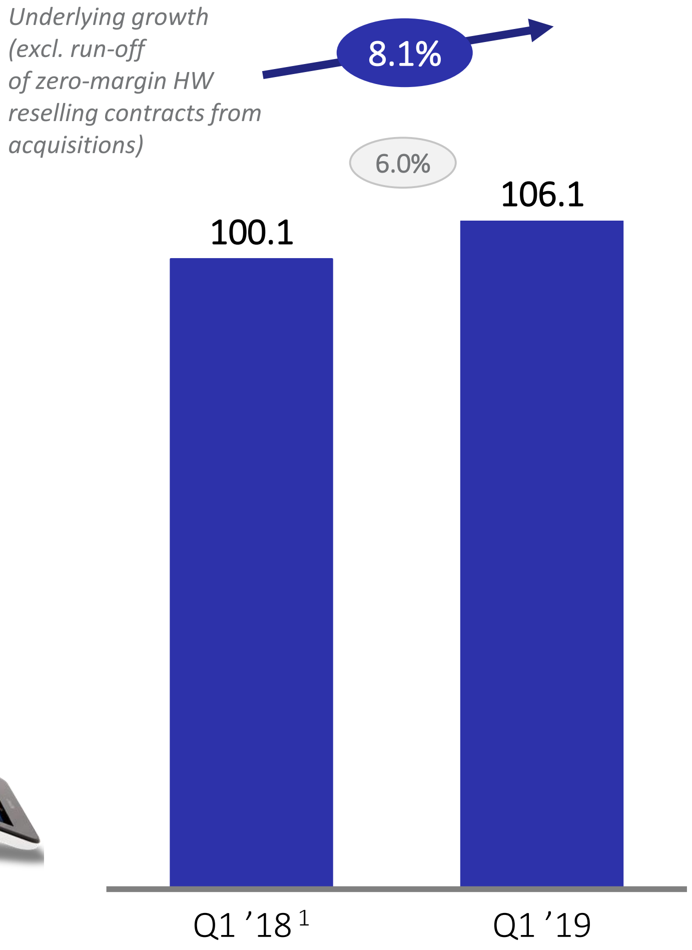
Source: Company information
Note: (1) Proforma for Group reorganization and OASI / Bassilichi not core disposal

Merchant Services & Solutions: continued growth with key initiatives on track

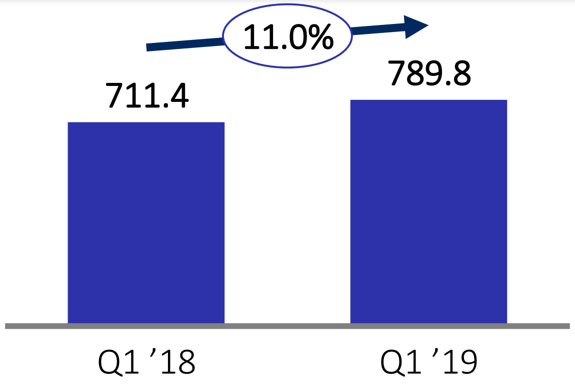


Merchant Services & Solutions

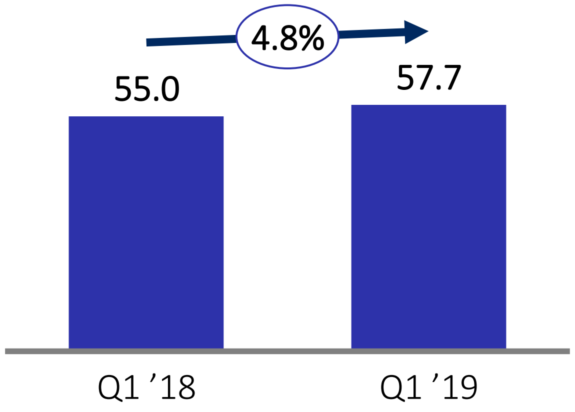
Net Revenues (€M)



Managed Transactions (#M)



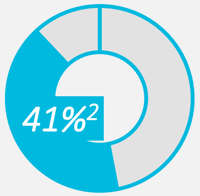
Value of Managed Transactions (€B)



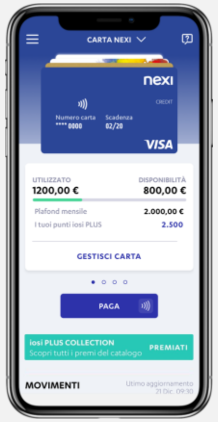
Key Highlights

- Smart POS/SME proposition progressing well; 4 new banks enrolled and launch of Smart POS mini
- Growing pipeline for Large Merchant innovative solutions (omni-channel, invisible payments, Smart POS)
- E-commerce growth accelerating (+17.5% YoY transactions value)
- Value of managed transactions sustained by international schemes (+12% YoY)
- YoY growth negatively affected by fewer working days in the quarter

Cards & Digital Payments: continued growth with key initiatives on track

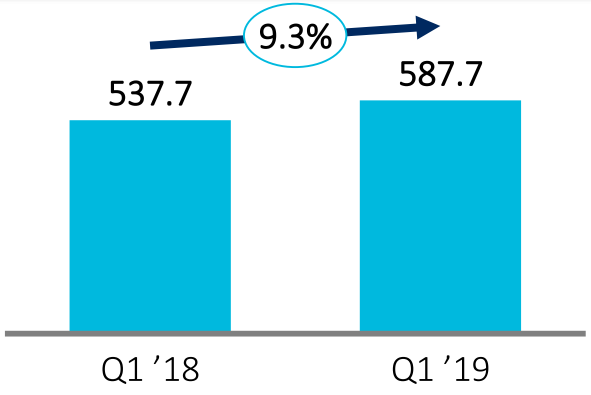


Cards & Digital Payments

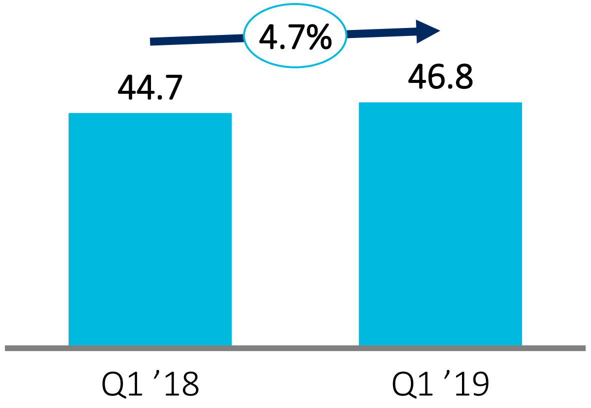


Net Revenues (€M)

Managed Transactions (#M)



Value of Managed Transactions (€B)

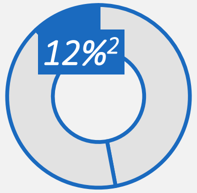


Key Highlights

- Contribution to growth from cross-selling, engagement and usage stimulation initiatives (e.g. easy shopping)
- Strong acceleration on YAP, with 430K enrolled clients YTD
- Sustained growth of volumes on international schemes (+10% YoY)
- YoY growth negatively affected by fewer working days in the quarter

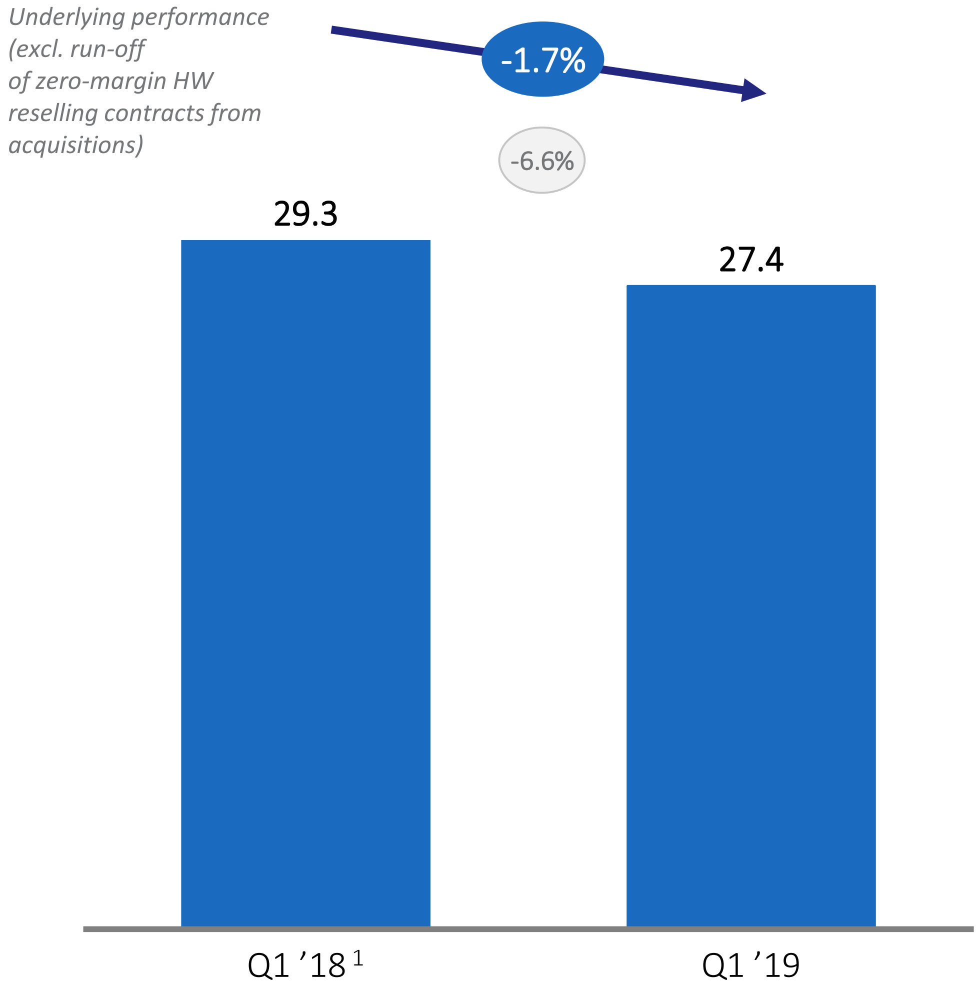
Source: Company information
Note: (1) 2018 pro-forma figures. (2) BU contribution to total Q1 Group's revenues.

Digital Banking Solutions: core business substantially flat, key initiatives on track



Digital Banking Solutions

Net Revenues (€M)



Key Highlights

New Digital Corporate Banking proposition launched, with two major banks starting roll-out

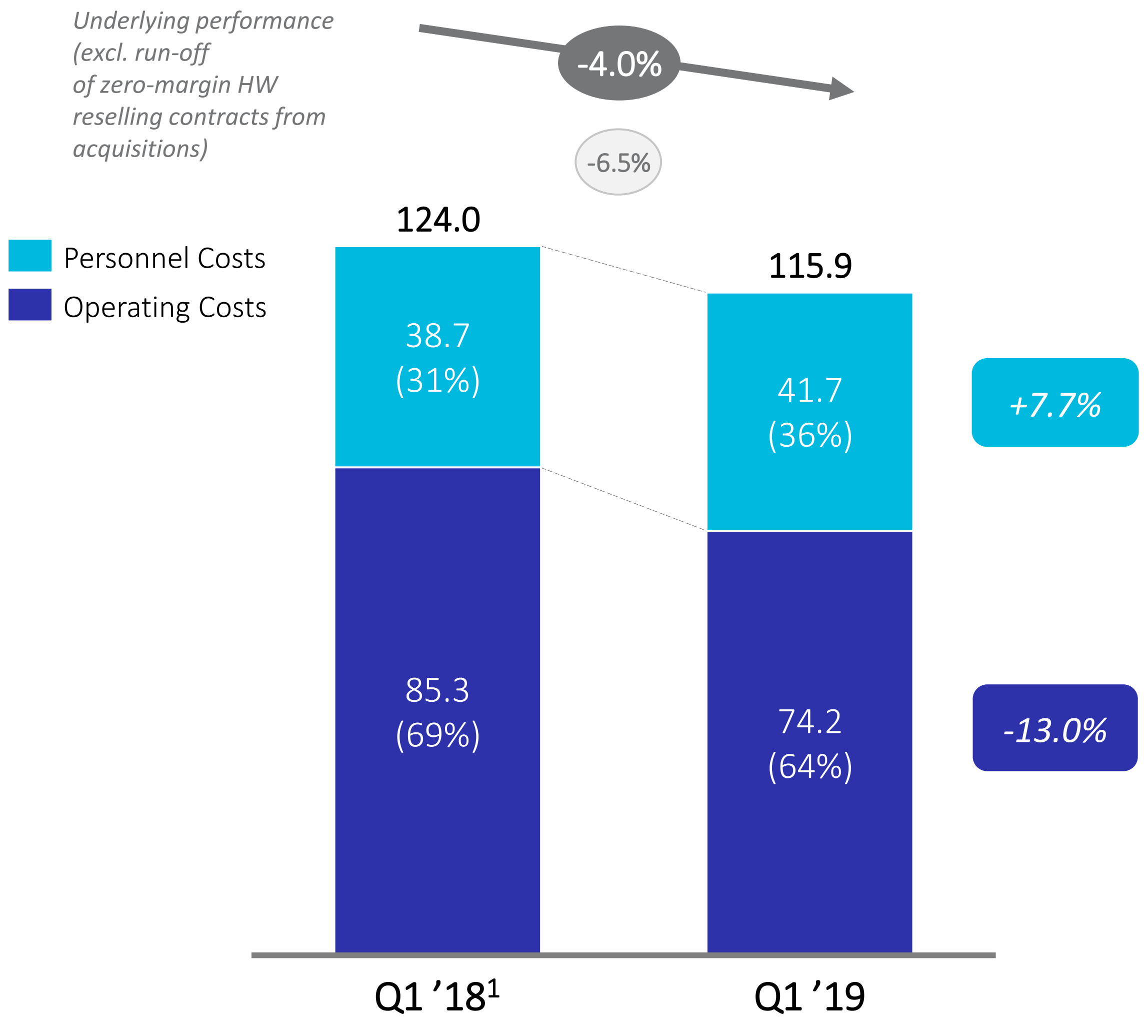
New ATM proposition starting roll-out. Accelerating shift from traditional to advanced ATMs

Nexi Open Banking Gateway in pilot phase. 200+ banks / financial institutions signed (over 75% of market)

Source: Company information
Note: (1) 2018 pro-forma figures. (2) BU contribution to total Q1 Group's revenues. (3) Net of Venete banks migration

Costs: strong reduction supported by cost initiatives and integration synergies

Total Costs (€M)



Key Highlights

Strong decrease in operating costs driven by cost initiatives and integration of acquired businesses (IFRS 16 impact ~2.5 €M)

Continuous investment in development initiatives and people capabilities

Early results of IT strategy implementation

Non-recurring items below EBITDA in the quarter ca. 9 €M (~-60% YoY)

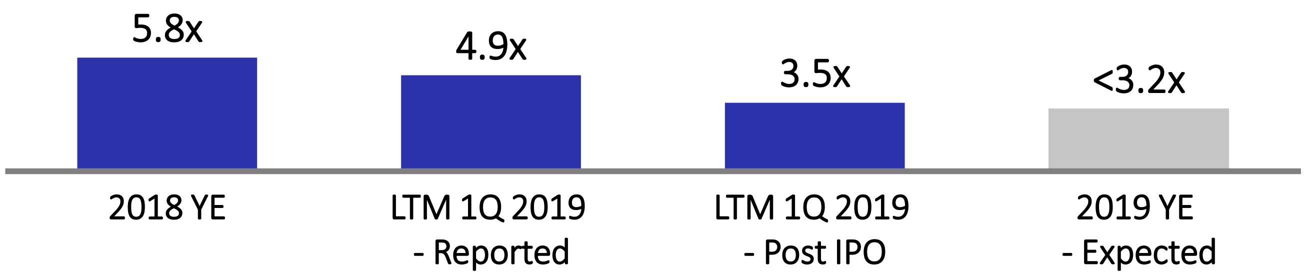
Source: Company information
Note: (1) 2018 pro-forma figures.

Update on capital structure and leverage

Net Financial Debt (€M)

	YE 2018	Q1 2019	Q1 2019 – Post IPO/ Refinancing
Gross Financial Debt	2,605	2,656	1,847
Cash & Cash Equivalents[1]	(151)	(471)	(308)
Net Financial Debt	2,454	2,185	1,538

Net Financial Debt / EBITDA (€M)



EBITDA (€M)	424	443	443	≈490

Key Highlights

Rating update:
i. S&P's upgraded to BB- with Positive outlook
ii. Moody's upgraded to Ba3 with Positive outlook

Refinancing agreement includes:
i. 1,000 €M senior secured Term Loan facility
ii. New 350 €M multi-currency RCF
5 year tenor and weighted average cost of debt reduction of ca. 70 bps p.a. (from ~3.8% to ~ 3.1%)

Senior Secured Credit Facilities and proceeds from the IPO to refinance:
i. Outstanding Senior Secured FRNs (1,375€M)
ii. Private Notes (400€M)

Source: Company information
Note: (1) 84€M in Visa preferred shares held by the Company (net of the related hedging costs), 18€M related to VISA Europe deferred compensation and 9€M in earn-out linked to the sale of Oasi Spa

Appendix: P&L

(in €M)	PF 2018	PF Q1 2018	Act. Q1 2019	*Δ% PF Q1'18-'19[1]*	*Δ% PF Q1'18-Act. Q1'19*
Merchant Services & Solutions	448.2	100.1	106.1	*8.1%*	*6.0%*
Cards & Digital Payments	360.6	86.0	93.0	*8.1%*	*8.1%*
Digital Banking Solutions	121.7	29.3	27.4	*-1.7%*	*-6.6%*
Operating Revenue	**930.6**	**215.4**	**226.5**	***6.8%***	***5.1%***
Personnel Costs	-149.9	-38.7	-41.7	*7.7%*	*7.7%*
Operating Costs	-356.5	-85.3	-74.2	*-9.5%*	*-13.0%*
Total Costs	**-506.4**	**-124.0**	**-115.9**	***-4.0%***	***-6.5%***
EBITDA	**424.1**	**91.4**	**110.6**	***21.0%***	***21.0%***

Note: (1) Underlying growth excluding run-off of zero-margin HW reselling contracts from acquisitions

Thank You for Your Attention

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