PRESS RELEASE

2021 preliminary full-year Group consolidated results approved

NET PROFIT OF € 525.1 MLN

Proposal for a cash dividend of € 6 cents per share

SHARP INCREASE IN CORE BUSINESS PROFITABILITY DRIVEN BY EXCELLENT COMMERCIAL PERFORMANCE AND MAJOR ENHANCEMENT OF COMPETITIVE POSITION

FOUNDATIONS LAID FOR STRUCTURAL IMPROVEMENT OF OPERATIONAL EFFICIENCY

Profit before tax up to € 692.9 mln (approx. € 580 mln net of non-recurring items[1])

Operating income increased to € 3.4 bn, with net commissions strongly on the rise, driven by asset management and bancassurance

FURTHER IMPROVEMENT IN CREDIT QUALITY: NPE RATIO DOWN SIGNIFICANTLY AS COVERAGE GROWS

GROSS NPE RATIO OF 4.9% (2.0% NET) VS. 7.8% (4.0% NET) AT THE END OF 2020

NPE COVERAGE OF 60.4% VS. 51.0% AT THE END OF 2020

- Further uptrend in the coverage of both bad loans and UTPs in 4Q21, respectively settling at **71.8%** (63.0% at end-September 2021) and **50.4%** (48.4% at end-September 2021)
- Default rate of 0.9% vs.1.0% at the end of 2020
- Texas ratio[2] down to 45.6% (55.4% at the end of 2020)
- Ordinary cost of credit[3] at 67 bps, driven by a particularly conservative approach to provisioning

SOUND CAPITAL POSITION

PROFORMA FULLY PHASED CET1 RATIO[4]: 13.5% (14.5% PHASED IN[5])

THE BANK'S COMMITMENT TO SUPPORTING THE ONGOING ECONOMIC RECOVERY CONTINUES

- Acceleration in new loans granted in 4Q21 (+57.4% q/q)
- State-guaranteed loans total € 7.3 bn (9.2% of total loans to customers)

INDIRECT FUNDING REACHES € 166.3 BN, DRIVEN BY GROWTH IN ASSET MANAGEMENT AND LIFE BANCASSURANCE, UP FURTHER IN 4Q21 (+1.2% Q/Q)

- Net inflows total € 2.1 bn, almost twice the amount of last year

Modena - 8 February 2022. The Board of Directors of BPER Banca (the "**Bank**") has examined and approved the Bank separate and Group consolidated results as at 31 December 2021.

BPER's Chief Executive Officer Piero Luigi Montani commented: *"2021 was a particularly significant year for BPER in several respects, starting with a major enhancement of our competitive position which has enabled us to increase our market share in lending from 3.0% to 4.4%, with a stronger footprint in the most productive and dynamic areas of the country, and expand our customer base by over 50% from 2.7 to 4.2 million. Multiple activities were implemented rapidly and effectively. This did not only demonstrate our Banking Group's dynamism and willingness to grow inorganically, as well as organically. It also contributed to a structural increase in core business profitability, combined with a strong improvement in asset quality and the preservation of a sound capital position, with a Fully Phased CET1 ratio of 13.5%.*

The year ended with a profit of € 525 mln, with steadily growing revenues driven, among other factors, by the excellent commercial performance.

Additionally worthy of note was the growth contributed by traditional banking and lending, which gained significant momentum in the last quarter of the year, confirming the ongoing economic recovery. We expect the trend to continue in 2022, building on the investments earmarked under the National Recovery and Resilience Plan.

On the cost side, the year was characterised by several non-recurring items in connection with the expansion of the Group's scale. In the fourth quarter of the year, we also took the costs of the workforce optimisation effort aimed at promoting generational turnover and implemented additional actions to rationalise the cost base, which will increase our operational efficiency.

As for credit quality, we have registered steadily improving trends, with the year-end gross and net NPE ratios settling respectively at 4.9% and 2.0%, including a result of the NPL disposals completed during the year, while at the same time we increased our coverage ratios.

Among the distinctive aspects of the financial year just ended, I would also like to highlight the strong commitment to ESG, both at governance level with the establishment of a Board-internal Sustainability Committee and in the day-to-day work of the Company's various functions. This has also enabled us to obtain BPER Banca's admission to Borsa Italiana's MIB ESG index.

Major challenges await us in 2022. We want to maintain our trajectory of growth while continuing to improve the Bank's fundamentals. The results achieved in terms of profitability, improved credit quality and capital strength are a solid basis for our new Business Plan and will enable us to create additional value for all stakeholders".

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Consolidated income statement: key figures

(Please note that the income statement figures referring to the Group preliminary consolidated results as at 31 December 2021 are not comparable with those as at 31 December 2020, due to the change in the size of the Group, which is inclusive of the assets, liabilities and P&L input that the acquired going concern has been contributing with 587 former UBI Banca branches since 22 February 2021 and 33 branches of Intesa San Paolo since 21 June 2021. Conversely, the figures of the third and fourth quarter of 2021 are comparable as they are based on the same scope of consolidation).

Net interest income totalled € 1,505.4 mln. In the fourth quarter of 2021, NII amounted to € 385.9 mln, down from € 391.1 mln in the previous quarter, primarily as a result of competitive pressure. Key contributors in 4Q21 included TLTRO-III funds (net of interest paid on deposits with the ECB) for an amount of € 26.9 mln (€ 24.1 mln in 3Q21) and the securities portfolio for an amount of € 24.0 mln (€ 25.1 mln in 3Q21).

Net commission income totalled € 1,641.6 mln. In the fourth quarter of 2021, the aggregate rose to € 469.2 mln (+7.0% q/q), confirming the positive trends observed in the previous quarter. In particular, commissions on indirect deposits and bancassurance settled at € 220.5 mln in 4Q21, up 8.6% on 3Q21, while fees and commissions on traditional banking amounted to € 248.7 mln, up 5.7% as compared to 3Q21.

Dividends amounted to € 20.1 mln (€ 5.5 mln in 4Q21).

Net income from financial activities totalled € 196.2 mln (€ 23.6 mln in 4Q21), benefiting from gains on disposal of financial assets and good financial market performance.

Operating income amounted to € 3,388.3 mln, supported by the growth in core revenues (net interest income and net commission income). In the fourth quarter of 2021, this aggregate amounted to € 897.5 mln, up 0.6% q/q.

Operating costs amounted to € 2,487.5 mln (€ 858.3 mln in 4Q21) and included € 388.2 mln in non-recurring charges. More specifically:

- **Staff costs** totalled € 1,528.2 mln (€ 557.2 mln in 4Q21) and were impacted by € 228.0 mln in non-recurring expenses, including € 210.0 mln relating to the workforce optimisation effort aimed at promoting generational turnover, which were recognised in 4Q21, and € 18.0 mln primarily in connection with the activities put in place for new resources' alignment and the enhanced deployment of staff to commercial support for customers from the acquired business unit.

- **Other administrative expenses** amounted to € 679.2 mln (€ 180.8 mln in 4Q21), of which € 83.8 mln in non-recurring expenses (€ 8.0 mln recognised in 4Q21) mainly relating to the process for the integration of the acquired branches.

- **Net adjustments to property, plant, equipment and intangible assets** amounted to € 280.1 mln, of which € 76.4 mln non-recurring. In 4Q21 the aggregate totalled € 120.3 mln and included € 67.4 mln worth of non-recurring adjustments, largely due to depreciation of software and hardware assets regarded as having reached the end of their useful life following the recent one-off transactions and the management of the emergency situation.

Net operating income amounted to € 900.8 mln, of which € 39.2 mln posted in 4Q21.

Net impairment losses for credit risk amounted to € 838.0 mln (€ 122.8 mln in 4Q21) and included € 310.0 mln of additional loan loss provisions partly resulting from the Group's revised provisioning policies recognised in the first half of 2021. **Cost of credit** at 106 bps (67 bps excluding additional loan loss provisions).

Net provisions for risks and charges amounted to € 80.7 mln, of which € 23.8 mln non-recurring, most of which traceable to the adjustment of the profit sharing quota to be paid to the Resolution Fund in execution of the agreements connected with the acquisition of Nuova Carife S.p.A. The aggregate for the fourth quarter of 2021 totalled € 25.7 mln.

Contributions to the Banking System funds for the year 2021 amounted to € 133.7 mln. In particular:

- € 46.1 mln paid to the Single Resolution Fund (SRF) based on the Group's scope as at 31 December 2019, with € 11.3 mln as an additional contribution requested by the SRF.
- € 87.6 mln in contributions paid to the **Deposit Guarantee Fund ("DGS")**, up from last year mainly due to the expansion of the deposit base following the integration of the going concern acquired.

In the interests of clarity, please note that these contributions are shown in a separate line in the reclassified income statement, whereas they are included in caption 190 b) "Other administrative expenses" in the Bank of Italy's schedule.

Badwill of € 1,127.8 mln, including:

- € 817.7 mln relating to badwill resulting from the Purchase Price Allocation (PPA) process required by IFRS 3 "Business combinations"[6] for the acquisition of the going concern. The difference between the equity pertaining to the business unit acquired and the purchase price paid generated an initial badwill (or "gain on a bargain purchase") of € 966.9 mln. The PPA process through the measurement at fair value of the assets and liabilities acquired resulted in € 149.2 mln in PPA adjustments. The main effects include a € 337.5 mln lower fair value than book value for the non-performing loans acquired and a € 234.1 mln higher fair value than book value for the performing loans acquired.
- € 310.2 mln in recovery of taxation on badwill as per contractual provisions with Intesa Sanpaolo.

Gains (losses) on investments amounted to a negative € 283.3 mln (€ -27.4 mln in 4Q21) and included € 230.4 mln in impairment losses on goodwill, with the balance consisting in write-downs largely due to the fair value measurement of own properties not used in operations.

Profit from current operations before tax totalled € 692.9 mln.

Income taxes amount to € 134.2 mln and include the tax charge on badwill[7] of € 310.2 mln.

Profit for the year stands at € 558.6 mln and includes a profit for the year pertaining to minority interests of € 33.5 mln.

Profit pertaining to the Parent Company therefore comes to € 525.1 mln.

Consolidated balance sheet: key figures

(Please note that the balance sheet figures referring to the Group preliminary consolidated results as at 31 December 2021 are not comparable with those as at 31 December 2020, due to the change in the size of the Group. Conversely, the accounting figures for the period as at 30 September 2021 are comparable as they are based on the same scope of consolidation).

Direct deposits from customers (deposits from customers, debt securities in issue and financial liabilities designated at fair value) amounted to € 101.4 bn, (+3.5% on end-September 2021). The key contributor to the aggregate amount was funding from retail/corporate customers, totalling € 96.2 bn and consisting mainly of current accounts and deposits (€ 91.9 bn), up 2.6% on the previous quarter. Institutional funding, entirely consisting of bonds, amounted to € 5.2 bn, up from € 4.0 bn in the previous quarter, exclusively as a result of an increase in repurchase agreements, taking advantage of low interest rates.

Indirect funding from customers, totalling € 166.3 bn, was up slightly on end-September 2021 (€ 166.2 bn). The aggregate includes:

- **assets under management** rising to € 64.8 bn (+1.4% vs end-September 2021), of which € 18.9 bn relating to Arca Holding (net of the funds quota placed by the BPER Group network), likewise on an uptrend from the previous quarter (€ 18.4 bn);

- **life insurance premiums underwritten** amounted to € 19.3 bn (+0.5% on end-September 2021);
- **assets under custody** totalled € 82.2 bn, down 1.0% on the previous quarter.

Gross loans to customers amounted to € 82.0 bn (+3.3% on end-September 2021), of which € 78.0 bn in performing loans (+4.0% on end-September 2021) and € 4.0 bn in non-performing loans (-8.2% on end-September 2021). The share of gross non-performing loans to total gross loans (**gross NPE Ratio**) is 4.9%, down further from 5.5% at the end of September 2021 (7.8% at end-2020), thanks to additional non-performing loan disposals completed in the fourth quarter of 2021.

As regards the breakdown of gross non-performing loans, **bad loans** amounted to € 2.0 bn (-14.3% q/q), **unlikely-to-pay (UTP) exposures** settled at € 1.9 bn (+0.5% q/q), **past due exposures** amounted to € 127.8 mln (-20.1% q/q).

Net loans to customers amounted to € 79.1 bn (+3.4% on end-September 2021). As part of the aggregate, net performing loans amounted to € 77.5 bn, up 4.0% on end-September 2021 thanks to the acceleration in new mortgage and personal loans granted in 4Q21 which totalled € 3.3 bn (+57.4% q/q). Net non-performing loans settled at € 1.6 bn, down 18.5% on end-September 2021. The share of net non-performing loans to total net loans (***net NPE ratio***) is 2.0%, down further from 2.6% in the previous quarter (4.0% at end-2020) The coverage ratio for total non-performing loans has risen to 60.4% from 55.3% in the previous quarter.

A breakdown of net NPEs shows € 0.6 bn in **net bad loans** (-34.9% on end-September 2021), with coverage rising to 71.8% (vs. 63.0% at end-September 2021), € 0.9 bn in **net UTP exposures** (-3.3% on end-September 2021) with coverage rising to 50.4% (vs. 48.4% at end-September 2021); and € 94.6 mln in **net past due exposures** with coverage of 25.9% (vs. 23.9% at end-September 2021).

Performing loan coverage settled at 0.6%, in line with the level as at the end of September 2021 (0.3% at the end of 2020).

As part of the support measures provided by the BPER Group for households and businesses to cope with the economic fallout of the pandemic,

- State-guaranteed loans amount to € 7.3 bn, up 4.7% q/q, and account for 9.2% of total net loans to customers.
- Loan payment moratoria are still active for an aggregate outstanding amount of € 227.1 mln, down significantly (-92.4% q/q), due to the expiry of moratoria under the “Cura Italia” decree on 31 December 2021. In this regard, the default rate on past due exposures has remained very subdued at approximately 1.7%.

The € 1.9 bn negative **net interbank position** is the result of the difference between € 21.7 bn in loans to banks and € 23.6 bn in loans from banks. Refinancing operations of the BPER Group with the European Central Bank (ECB), entirely consisting in TLTRO III funds with a maturity of three years, are stable at € 18.4 bn. Financial assets eligible as collateral for refinancing operations on the market amount to € 31.1 bn, net of haircut, including € 10.8 bn unencumbered, which come in addition to the € 20.3 bn worth of deposits with the ECB.

Financial assets, amounting to € 28.4 bn, account for 20.8% of total assets. As part of the aggregate, debt securities amount to € 27.3 bn (96.1% of the total portfolio) and include € 14.3 bn in securities issued by governments and other supranational public institutions, of which € 8.6 bn worth of Italian government bonds with an average duration of 3 years.

Total shareholders' equity amounts to € 6.9 bn, with minority interests accounting for € 0.2 bn. **Group consolidated shareholders' equity**, including net profit for the year amounts to € 6.7 bn.

As at 31 December 2021, the **Liquidity Coverage Ratio** (LCR) exceeds 200%, while the **Net Stable Funding Ratio** (NSFR) is estimated at over 100%.

Capital ratios

As at 31 December 2021, the capital ratios measured under the AIRB approach to credit risk were as follows:

- pro-forma Phased In Common Equity Tier 1 (CET1) ratio[8] of 14.5% (14.7% as at 30 September 2021). Calculated on a pro-forma Fully Phased[9] basis, the ratio is 13.5% (13.7% as at 30 September 2021);
- pro-forma Phased In Tier 1 ratio[10] of 14.8% (15.0% as at 30 September 2021);
- pro-forma Phased in Total Capital Ratio[11] of 17.2% (17.4% as at 30 September 2021).

Group structure highlights as at 31 December 2021

With a footprint in as many as nineteen regions of Italy, the Group has further increased its competitive position particularly in the North of the country, with the acquisition of 620 branches during the year.

The total number of branches is 1,742 (in addition to the Luxembourg head office of BPER Bank Luxembourg SA), down from 1,846 as at the end-September 2021 due to the closure of 104 branches.

Group employees total 18,128 as compared to a headcount of 13,177 at year-end 2020.

Proposed allocation of BPER Banca's profit for the year

The Board has approved the proposal for the distribution of a cash dividend of € 6 cents per share for each of the 1,413,263,512 shares representing the share capital (net of those which will be held in the portfolio on the ex-coupon date; 2,147,560 as at 7 February 2022), for a maximum total amount of € 84,795,810.72.

Outlook for operations

The euro area economy remains on a recovery path, despite the slowdown registered in the last few months of 2021 due to the resurgence of the pandemic and persistent tensions in global supply chains. The prospects for growth in the euro area prepared by the Eurosystem experts[12] point to an acceleration of economic activity in 2022, driven by vigorous domestic demand and a still accommodative monetary policy. According to the projections prepared by the Bank of Italy[13], GDP growth in Italy is estimated at 3.8% on average this year, with economic activity expected to return to steady growth from the spring, in concomitance with the anticipated improvement in the outlook for public health, fuelled by the growth in household consumption and the expected vigorous expansion of investments, benefiting from the projects envisaged in the National Recovery and Resilience Plan (NRRP) and favourable financing conditions.
Against this background, the Bank’s operations will continue to focus on strengthening core profitability by expanding the core business, which will benefit from the stronger competitive position achieved last year.
Revenues are expected to increase, driven primarily by fees and commissions on asset management and bancassurance, as well as by lending to customers, which is projected to trend upwards during the year, partly

expedited by the upside deriving from the NRRP.

On the cost side, efforts to increase efficiency and rationalise spending will continue, helping to offset the investment costs to be incorporated in the new 2022-2024 Business Plan. The cost of credit is expected to decline, with credit quality set to improve further thanks to the derisking effort underway. The capital position is expected to remain robust.

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Note that the independent review by Deloitte & Touche S.p.A. is still ongoing. As required by law, the auditing firm will issue its audit report on the draft separate and consolidated financial statements for the year ended 31 December 2021, which are scheduled to be approved by the Bank's Board of Directors on 10 March 2022.

The document will be available at the Bank's head office, on the websites of the Bank and of the Group (www.bper.it and https://istituzionale.bper.it/), of Borsa Italiana S.p.A. and in the authorised storage device (www.1info.it).

As a complement to the information provided in this press release, attached please find:

- *the Group's consolidated Balance Sheet and Income Statement (quarterly breakdown and reclassified) as at 31 December 2021, in addition to a summary of key financial indicators;*
- *the Parent Company's separate balance sheet and income statement as at 31 December 2021.*

Modena, 8 February 2022

The Chief Executive Officer
Piero Luigi Montani

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The Manager responsible for preparing the Company’s financial reports, Marco Bonfatti declares, pursuant to art. 154-bis, paragraph 2, of Legislative Decree No. 58/1998 (Consolidated Law on Finance), that the accounting information contained in this press release corresponds to the underlying documentary evidence, books and accounting records.

Modena, 8 February 2022

The Manager responsible for preparing
the Company’s financial reports
Marco Bonfatti

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A live conference call to discuss the BPER Banca Group consolidated results as at 31 December 2021 will be held on **9 February 2022 at 9 a.m**. (CET).
The conference call, in Italian with simultaneous translation into English, will be hosted by the Chief Executive Officer, Piero Luigi Montani**.**

To join the conference call, please dial the following numbers:

ITALY: +39 02 8020911
UK: +44 1212 818004
USA: +1 718 7058796

A set of slides to support the presentation will be made available on the Bank’s website https://istituzionale.bper.it in the Investor Relations section, Presentations page, shortly before the start of the conference call.

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This press release is also available in the 1INFO storage device.

Notes

[1] Summarised below are the non-recurring items recognised in 2021:

- + € 817.7 mln attributable to the badwill recognised following the going concern acquisition;
- + € 310.2 mln in tax recovery on badwill received from Intesa Sanpaolo, as contractually agreed. The figure was recognised in “Gain on a bargain purchase” while the tax charge on badwill was recognised for the same amount with a negative sign in "Income taxes on current operations for the year";
- - € 310.0 mln gross in additional loan loss provisions following the Group’s revision of its provisioning policies;
- - € 230.4 mln gross in goodwill impairment (capital neutral) recognised as "Gains (losses) on investments" in the reclassified Income Statement;
- - € 101.8 mln gross in integration-related costs;
- - € 210.0 mln gross in personnel expenses relating to the workforce optimisation effort;
- - € 76.4 mln gross in value adjustments to property, plant, equipment and intangible assets;
- - € 23.8 mln gross, most of which referring to the adjustment of the profit sharing quota to be paid to the Resolution Fund in execution of the agreements connected with the acquisition of Nuova Carife s.p.a, recognised under "Net provisions for risks and charges" in the reclassified Income Statement;
- - € 59.5 mln gross primarily in relation to the fair value measurement of own properties not used in operations, recognised as “Gains (losses) on investments” in the reclassified Income Statement;
- + € 21.2 mln in one-off gains recognised as “Net income from financial activities”;
- - € 13.0 mln in one-off charges recognised as “Other operating income and expenses”;

- € 11.3 mln in additional contributions to the SRF recognised as “Contributions to the SRF, DGS and IDPF-VS funds”;

[2] Texas ratio defined as the ratio between Gross NPEs/(tangible equity + NPE loan loss provisions).

[3] Net of € 310 mln in additional loan loss provisions.

[4] The pro-forma Fully Phased CET1 ratio is estimated by excluding the effects of transitional arrangements in force and including profit (loss) for the year for the portion not allocated to dividends, i.e. simulating in advance the effects of the ECB’s authorisation to include these profits in Own Funds pursuant to art. 26, para. 2 of the CRR.

[5] Phased-in capital ratios are calculated in accordance with the provisions of Regulation (EU) 2017/2395, amending Regulation (EU) 575/2013 (CRR) as regards "Transitional arrangements for mitigating the impact of the introduction of IFRS 9 on Own Funds". The Regulation introduced the transitional (Phase-in) regime offering banks the option to mitigate the impacts of IFRS 9 on Own Funds over a period of 5 years (from March 2018 to December 2022), by neutralising the impact on CET1 with the application of decreasing add-back factors over time. The BPER Banca Group elected to apply the "static approach" to the impact arising from a reconciliation of impairment losses under IAS 39 as at 31 December 2017 to impairment losses under IFRS 9 as at 1 January 2018. Calculation of the pro-forma amounts of these ratios includes profit (loss) for the year for the portion not allocated to dividends, i.e. simulating in advance the effects of the ECB’s authorisation to include these profits in Own Funds pursuant to art. 26, para. 2 of the CRR.

[6] Under IFRS 3, Purchase Price Allocation adjustments can be made within a 12-month measurement period from the business combination date.

[7] See Note 1.

[8] See Note 5.

[9] See Note 4.

[10] See Note 5.

[11] See Note 5.

[12] ECB Economic Bulletin issue 8 / 2021, published on 13 January 2022

[13] “Macroeconomic projections for the Italian economy”, published by the Bank of Italy on 21 January 2022.

Reclassified financial statements as at 31 December 2021

For greater clarity in the presentation of the results for the year, the accounting schedules envisaged by the 7th update of Bank of Italy Circular no. 262/2005 have been reclassified as follows.

In the balance sheet:

- debt securities valued at amortised cost (caption 40 *"Financial assets measured at amortised cost"*) have been reclassified under caption *"Financial assets"*;
- the caption *"Other assets"* includes captions 110 *"Tax assets"* and 130 "*Other assets*";
- the caption "*Other liabilities"* includes captions 60 "*Tax liabilities"*, 80 "*Other liabilities"*, 90 "*Employee termination indemnities"* and 100 "*Provisions for risks and charges*";
- assets and liabilities classified as held for sale (asset caption 120 *"Non-current assets and disposal groups classified as held for sale"* and liability caption 70 *"Liabilities associated with assets classified as held for sale*") are presented in their original portfolios in order to report the aggregates more clearly[1].

In the income statement:

- the caption "*Net income from financial activities"* includes captions 80, 90, 100 and 110 of the accounting schedule;
- Indirect tax recoveries, allocated for accounting purposes to caption 230 *"Other operating expense/income"*, have been reclassified as a reduction in the related costs under *"Other administrative expenses"* (Euro 232.3 million at 31 December 2021 and Euro 140.0 million at 31 December 2020);
- the caption *"Net adjustments to property, plant, equipment and intangible assets"* includes captions 210 and 220 of the accounting schedule;
- the caption *"Net provisions for risks and charges"* includes Euro 18.6 million relating to the valuation of the profit-sharing clause in the contract for the acquisition of Nuova Carife, allocated to caption 230 *"Other operating charges/income"* of the accounting schedule;
- the caption *"Gains (Losses) on investments"* includes captions 250, 260, 270 and 280 of the accounting schedule;
- the caption *"Contributions to the DGS, SRF and IDPF-VS funds"* has been shown separately from the specific accounting technical forms to give a better and clearer representation, as well as to leave the *"Other administrative expenses"* as a better reflection of the trend in the Group's operating costs. In particular, at 31 December 2021, this caption represents the component allocated for accounting purposes to administrative expenses in relation to:
  - the 2021 contribution to the SRF (European Single Resolution Fund) for Euro 34.9 million;
  - additional contribution requested by the SRF (European Single Resolution Fund) for 2019 from Italian banks for Euro 11.3 million;
  - the 2021 contribution to the DGS (Deposit Guarantee Schemes) for Euro 87.6 million.
- appropriate specification *("of which")* has been included in the caption "*Net interest income*" in order to highlight the impacts of IFRS 9 application.

Comparable figures at 31 December 2020 shown respectively in the following balance sheet and income statement schedules have been restated to show the effects of the retrospective application of the change in the measurement method of property, plant and equipment held for investment. It should be noted that such effects have been exposed in apposite column "of which: IAS 40 impact". Comparable figures at 31 December 2020 have been further restated according to criteria consistent with the provisions of the 7th update of Bank of Italy Circular no. 262/2005; in particular, assets of cash equivalent nature pursuant to IAS 7 have been reclassified from asset caption 40 b) to asset caption 10 of the balance sheet accounting schedule.

[1] *The balance sheet data include the amounts for 5 branches held for sale. These branches belong to the group of 10 Unipol Banca branches acquired by BPER Banca on 25 November 2019 and subsequently transferred to Banco di Sardegna. In that regard, the Italian competition authority (Autorità Garante della Concorrenza e del Mercato - AGCM) authorised the operation on condition that the 5 branches located in Sardinia would be sold subsequently. The disposal is intended to resolve the competition issue identified in the AGCM investigation, which found excessive concentration in the Municipalities of Sassari, Alghero, Iglesias, Nuoro and Terralba, which would create and/or strengthen a dominant position.*

BPER:
Gruppo

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Reclassified consolidated balance sheet as at 31 December 2021

(in thousands)

Assets	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
Cash and cash equivalents	1,306,282	849,102		457,180	53.84
Financial assets	28,373,380	24,661,915		3,711,465	15.05
a) Financial assets held for trading	323,721	279,009		44,712	16.03
b) Financial assets designated at fair value	125,098	127,368		(2,270)	-1.78
c) Other financial assets mandatorily measured at fair value	714,759	765,917		(51,158)	-6.68
d) Financial assets measured at fair value through other comprehensive income	6,631,897	6,269,818		362,079	5.77
e) Debt securities measured at amortised cost	20,577,905	17,219,803		3,358,102	19.50
- banks	5,795,622	4,496,133		1,299,489	28.90
- customers	14,782,283	12,723,670		2,058,613	16.18
Loans	100,862,925	62,521,874		38,341,051	61.32
a) Loans to banks	21,695,054	9,489,688		12,205,366	128.62
b) Loans to customers	79,112,914	53,005,879		26,107,035	49.25
c) Financial assets measured at fair value	54,957	26,307		28,650	108.91
Hedging derivatives	178,108	57,776		120,332	208.27
Equity investments	240,534	225,558		14,976	6.64
Property, plant and equipment	1,946,456	1,366,915	14,225	579,541	42.40
Intangible assets	459,197	702,723		(243,526)	-34.65
- of which: goodwill	204,392	434,758		(230,366)	-52.99
Other assets	2,980,991	2,675,920	(3,280)	305,071	11.40
Total assets	**136,347,873**	**93,061,783**	**10,945**	**43,286,090**	**46.51**

(in thousands)

Liabilities and shareholders' equity	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
Due to banks	23,633,494	20,180,999		3,452,495	17.11
Direct deposits	101,388,140	63,140,669		38,247,471	60.58
a) Due to customers	96,627,735	58,458,479		38,169,256	65.29
b) Debt securities issued	4,760,405	4,682,190		78,215	1.67
Financial liabilities held for trading	123,957	170,094		(46,137)	-27.12
Hedging derivatives	249,178	469,240		(220,062)	-46.90
Other liabilities	4,094,295	2,766,652	7,570	1,327,643	47.99
Minority interests	162,497	133,983	48	28,514	21.28
Shareholders' equity pertaining to the Parent Company	6,696,312	6,200,146	3,327	496,166	8.00
a) Valuation reserves	196,370	118,105		78,265	66.27
b) Reserves	2,493,508	2,360,743	12,052	132,765	5.62
c) Equity instruments	150,000	150,000		-	-
d) Share premium reserve	1,240,428	1,241,197		(769)	-0.06
e) Share capital	2,100,435	2,100,435		-	-
f) Treasury shares	(9,552)	(7,259)		(2,293)	31.59
g) Profit (Loss) for the year	525,123	236,925	(8,725)	288,198	121.64
Total liabilities and shareholders' equity	**136,347,873**	**93,061,783**	**10,945**	**43,286,090**	**46.51**

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Reclassified consolidated income statement as at 31 December 2021

(in thousands)

Captions		31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10+20	Net interest income	1,505,362	1,238,876		266,486	21.51
	*of which IFRS 9 components**	*18,981*	*25,728*		*(6,747)*	*-26.22*
40+50	Net commission income	1,641,575	1,072,514		569,061	53.06
70	Dividends	20,084	18,492		1,592	8.61
80+90+100+110	Net income from financial activities	196,231	138,165		58,066	42.03
230	Other operating expense/income	25,026	40,974		(15,948)	-38.92
	Operating income	**3,388,278**	**2,509,021**		**879,257**	**35.04**
190 a)	Staff costs	(1,528,240)	(960,719)		(567,521)	59.07
190 b)	Other administrative expenses	(679,158)	(499,040)		(180,118)	36.09
210+220	Net adjustments to property, plant and equipment and intangible assets	(280,117)	(167,421)	11,097	(112,696)	67.31
	Operating costs	**(2,487,515)**	**(1,627,180)**	**11,097**	**(860,335)**	**52.87**
	Net operating income	**900,763**	**881,841**	**11,097**	**18,922**	**2.15**
130 a)	Net impairment losses to financial assets at amortised cost	(837,194)	(541,877)		(295,317)	54.50
	- loans to customers	*(839,068)*	*(534,605)*		*(304,463)*	*56.95*
	- other financial assets	*1,874*	*(7,272)*		*9,146*	*-125.77*
130 b)	Net impairment losses to financial assets at fair value	2,115	(362)		2,477	-684.25
140	Gains (Losses) from contractual modifications without derecognition	(2,893)	(2,141)		(752)	35.12
	Net impairment losses for credit risk	**(837,972)**	**(544,380)**		**(293,592)**	**53.93**
200	Net provisions for risks and charges	(80,745)	(32,481)		(48,264)	148.59
###	Contributions to SRF, DGS, IDPF - VS	(133,699)	(88,182)		(45,517)	51.62
250+260+270 +280	Gains (Losses) on investments	(283,323)	(20,063)	(17,984)	(263,260)	--
275	Gain on a bargain purchase	1,127,847	-		1,127,847	n.s.
290	**Profit (Loss) from current operations before tax**	**692,871**	**196,735**	**(6,887)**	**496,136**	**252.18**
300	Income taxes on current operations for the year	(134,222)	65,191	(1,854)	(199,413)	-305.89
330	**Profit (Loss) for the year**	**558,649**	**261,926**	**(8,741)**	**296,723**	**113.29**
340	Profit (Loss) for the year pertaining to minority interests	(33,526)	(25,001)	16	(8,525)	34.10
350	**Profit (Loss) for the year pertaining to the Parent Company**	**525,123**	**236,925**	**(8,725)**	**288,198**	**121.64**

** The "of which IFRS 9 components" caption includes the time value of bad loans and the write-down of part of the interest charged on non-performing exposures.*

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Reclassified consolidated income statement by quarter as at 31 December 2021

(in thousands)

Captions		1st quarter 2021	2nd quarter 2021	3rd quarter 2021	4th quarter 2021	1st quarter 2020	2nd quarter 2020	3rd quarter 2020	4th quarter 2020
10+20	Net interest income	343,513	384,809	391,097	385,943	307,971	310,280	325,492	295,133
	*of which IFRS 9 components**	*4,097*	*3,972*	*5,668*	*5,244*	*9,414*	*7,945*	*5,185*	*3,184*
40+50	Net commission income	328,132	405,826	438,451	469,166	267,595	245,102	262,127	297,690
70	Dividends	1,678	12,269	677	5,460	809	12,034	4,550	1,099
80+90+100+110	Net income from financial activities	76,241	43,471	52,898	23,621	5,642	46,832	43,115	42,576
230	Other operating expense/income	8,119	(5,631)	9,247	13,291	14,607	9,724	7,638	9,005
	Operating income	**757,683**	**840,744**	**892,370**	**897,481**	**596,624**	**623,972**	**642,922**	**645,503**
190 a)	Staff costs	(302,142)	(355,061)	(313,821)	(557,216)	(255,576)	(249,088)	(216,638)	(239,417)
190 b)	Other administrative expenses	(189,880)	(157,403)	(151,125)	(180,750)	(114,546)	(116,917)	(120,137)	(147,440)
210+220	Net adjustments to property, plant and equipment and intangible assets	(54,454)	(52,510)	(52,849)	(120,304)	(39,905)	(41,448)	(40,786)	(45,282)
	Operating costs	**(546,476)**	**(564,974)**	**(517,795)**	**(858,270)**	**(410,027)**	**(407,453)**	**(377,561)**	**(432,139)**
	Net operating income	**211,207**	**275,770**	**374,575**	**39,211**	**186,597**	**216,519**	**265,361**	**213,364**
130 a)	Net impairment losses to financial assets at amortised cost	(419,004)	(157,291)	(138,202)	(122,697)	(139,553)	(157,769)	(107,870)	(136,685)
	- loans to customers	*(417,667)*	*(159,229)*	*(137,174)*	*(124,998)*	*(139,991)*	*(153,846)*	*(106,524)*	*(134,244)*
	- other financial assets	*(1,337)*	*1,938*	*(1,028)*	*2,301*	*438*	*(3,923)*	*(1,346)*	*(2,441)*
130 b)	Net impairment losses to financial assets at fair value	773	913	(225)	654	105	(963)	363	133
140	Gains (Losses) from contractual modifications without derecognition	(602)	(1,177)	(386)	(728)	(195)	(247)	(182)	(1,517)
	Net impairment losses for credit risk	**(418,833)**	**(157,555)**	**(138,813)**	**(122,771)**	**(139,643)**	**(158,979)**	**(107,689)**	**(138,069)**
200	Net provisions for risks and charges	(40,914)	(9,592)	(4,527)	(25,712)	2,276	(17,177)	(15,109)	(2,471)
###	Contributions to SRF, DGS, IDPF - VS	(31,055)	(15,106)	(79,957)	(7,581)	(31,978)	(2,185)	(30,490)	(23,529)
250+260+270 +280	Gains (Losses) on investments	(250,655)	(2,629)	(2,631)	(27,408)	64	(10,151)	62	(10,038)
275	Gain on a bargain purchase	1,077,869	72,053	(22,075)	-	-	-	-	-
290	**Profit (Loss) from current operations before tax**	**547,619**	**162,941**	**126,572**	**(144,261)**	**17,316**	**28,027**	**112,135**	**39,257**
300	Income taxes on current operations for the year	(140,830)	(50,902)	(34,317)	91,827	(6,582)	74,603	(7,049)	4,219
330	**Profit (Loss) for the year**	**406,789**	**112,039**	**92,255**	**(52,434)**	**10,734**	**102,630**	**105,086**	**43,476**
340	Profit (Loss) for the year pertaining to minority interests	(6,523)	(10,497)	(7,840)	(8,666)	(4,325)	(6,543)	(8,484)	(5,649)
350	**Profit (Loss) for the year pertaining to the Parent Company**	**400,266**	**101,542**	**84,415**	**(61,100)**	**6,409**	**96,087**	**96,602**	**37,827**

** The "of which IFRS 9 components" caption includes the time value of bad loans and the write-down of part of the interest charged on non-performing exposures.*

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Consolidated balance sheet as at 31 December 2021

(in thousands)

	Assets	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10.	Cash and cash equivalents	1,306,282	849,102		457,180	53.84
20.	Financial assets measured at fair value through profit or loss	1,218,535	1,198,601		19,934	1.66
	a) financial assets held for trading	323,721	279,009		44,712	16.03
	b) financial assets designated at fair value	125,098	127,368		(2,270)	-1.78
	c) other financial assets mandatorily measured at fair value	769,716	792,224		(22,508)	-2.84
30.	Financial assets measured at fair value through other comprehensive income	6,631,897	6,269,818		362,079	5.77
40.	Financial assets measured at amortised cost	121,294,912	79,624,595		41,670,317	52.33
	a) loans to banks	27,490,676	13,985,821		13,504,855	96.56
	b) loans to customers	93,804,236	65,638,774		28,165,462	42.91
50.	Hedging derivatives	178,108	57,776		120,332	208.27
70.	Equity investments	240,534	225,558		14,976	6.64
90.	Property, plant and equipment	1,945,000	1,365,705	14,225	579,295	42.42
100.	Intangible assets	459,197	702,723		(243,526)	-34.65
	of which:					
	- goodwill	204,392	434,758		(230,366)	-52.99
110.	Tax assets	1,784,995	2,003,040	(4,033)	(218,045)	-10.89
	a) current	410,514	418,174		(7,660)	-1.83
	b) deferred	1,374,481	1,584,866	(4,033)	(210,385)	-13.27
120.	Non-current assets and disposal groups classified as held for sale	97,730	99,467	753	(1,737)	-1.75
130.	Other assets	1,190,683	665,398		525,285	78.94
	Totale assets	**136,347,873**	**93,061,783**	**10,945**	**43,286,090**	**46.51**

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(in thousands)

Liabilities and shareholders' equity		31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10.	Financial liabilities measured at amortised cost	124,854,511	83,177,191		41,677,320	50.11
	a) due to banks	23,633,494	20,180,999		3,452,495	17.11
	b) due to customers	96,460,612	58,314,002		38,146,610	65.42
	c) debt securities issued	4,760,405	4,682,190		78,215	1.67
20.	Financial liabilities held for trading	123,957	170,094		(46,137)	-27.12
40.	Hedging derivatives	249,178	469,240		(220,062)	-46.90
60.	Tax liabilities	68,502	82,318	7,570	(13,816)	-16.78
	a) current	9,598	4,797		4,801	100.08
	b) deferred	58,904	77,521	7,570	(18,617)	-24.02
70.	Liabilities associated with assets classified as held for sale	173,662	144,809		28,853	19.92
80.	Other liabilities	2,961,320	1,945,822		1,015,498	52.19
90.	Employee termination indemnities	209,973	148,199		61,774	41.68
100.	Provisions for risks and charges	847,961	589,981		257,980	43.73
	a) commitments and guarantees granted	97,219	62,334		34,885	55.96
	b) pension and similar obligations	140,255	148,357		(8,102)	-5.46
	c) other provisions for risks and charges	610,487	379,290		231,197	60.96
120.	Valuation reserves	196,370	118,105		78,265	66.27
140.	Equity instruments	150,000	150,000		-	-
150.	Reserves	2,493,508	2,360,743	12,052	132,765	5.62
160.	Share premium reserve	1,240,428	1,241,197		(769)	-0.06
170.	Share capital	2,100,435	2,100,435		-	-
180.	Treasury shares (-)	(9,552)	(7,259)		(2,293)	31.59
190.	Minority interests (+/-)	162,497	133,983	48	28,514	21.28
200.	Profit (Loss) for the year (+/-)	525,123	236,925	(8,725)	288,198	121.64
	Total liabilities and shareholders' equity	**136,347,873**	**93,061,783**	**10,945**	**43,286,090**	**46.51**

Consolidated income statement as at 31 December 2021

(in thousands)

	Captions	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10.	Interest and similar income	1,762,746	1,431,109		331,637	23.17
	of which: interest income calculated using the effective interest method	1,753,470	1,422,351		331,119	23.28
20.	Interest and similar expense	(257,384)	(192,233)		(65,151)	33.89
30.	**Net interest income**	**1,505,362**	**1,238,876**		**266,486**	**21.51**
40.	Commission income	1,845,386	1,246,875		598,511	48.00
50.	Commission expense	(203,811)	(174,361)		(29,450)	16.89
60.	**Net commission income**	**1,641,575**	**1,072,514**		**569,061**	**53.06**
70.	Dividends and similar income	20,084	18,492		1,592	8.61
80.	Net income from trading activities	67,491	(14,220)		81,711	-574.62
90.	Net income from hedging activities	(2,120)	(653)		(1,467)	224.66
100.	Gains (Losses) on disposal or repurchase of:	100,733	141,182		(40,449)	-28.65
	a) financial assets measured at amortised cost	85,712	130,513		(44,801)	-34.33
	b) financial assets measured at fair value through other comprehensive income	15,488	10,356		5,132	49.56
	c) financial liabilities	(467)	313		(780)	-249.20
110.	Net income on financial assets and liabilities measured at fair value through profit or loss	30,127	11,856		18,271	154.11
	a) financial assets and liabilities designated at fair value	1,576	(3,683)		5,259	-142.79
	b) other financial assets mandatorily measured at fair value	28,551	15,539		13,012	83.74
120.	**Net interest and other banking income**	**3,363,252**	**2,468,047**		**895,205**	**36.27**
130.	Net impairment losses for credit risk relating to:	(835,079)	(542,239)		(292,840)	54.01
	a) financial assets measured at amortised cost	(837,194)	(541,877)		(295,317)	54.50
	b) financial assets measured at fair value through other comprehensive income	2,115	(362)		2,477	-684.25
140.	Gains (Losses) from contractual modifications without derecognition	(2,893)	(2,141)		(752)	35.12
150.	**Net income from financial activities**	**2,525,280**	**1,923,667**		**601,613**	**31.27**
180.	**Net income from financial and insurance activities**	**2,525,280**	**1,923,667**		**601,613**	**31.27**
190.	Administrative expenses:	(2,573,395)	(1,687,910)		(885,485)	52.46
	a) staff costs	(1,528,240)	(960,719)		(567,521)	59.07
	b) other administrative expenses	(1,045,155)	(727,191)		(317,964)	43.72
200.	Net provisions for risks and charges	(62,148)	(21,029)		(41,119)	195.53
	a) commitments and guarantees granted	(17,389)	(6,329)		(11,060)	174.75
	b) other net provisions	(44,759)	(14,700)		(30,059)	204.48
210.	Net adjustments to property, plant and equipment	(168,434)	(107,719)	11,097	(60,715)	56.36
220.	Net adjustments to intangible assets	(111,683)	(59,702)		(51,981)	87.07
230.	Other operating expense/income	238,727	169,491		69,236	40.85
240.	**Operating costs**	**(2,676,933)**	**(1,706,869)**	**11,097**	**(970,064)**	**56.83**
250.	Gains (Losses) of equity investments	10,802	(2,945)		13,747	-466.79
260.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	(64,455)	(17,069)	(17,069)	(47,386)	277.61
270.	Impairment losses on goodwill	(230,366)	-		(230,366)	n.s.
275.	Gain on a bargain purchase	1,127,847	-		1,127,847	n.s.
280.	Gains (Losses) on disposal of investments	696	(49)	(915)	745	--
290.	**Profit (Loss) from current operations before tax**	**692,871**	**196,735**	**(6,887)**	**496,136**	**252.18**
300.	Income taxes on current operations for the year	(134,222)	65,191	(1,854)	(199,413)	-305.89
310.	**Profit (Loss) from current operations after tax**	**558,649**	**261,926**	**(8,741)**	**296,723**	**113.29**
330.	**Profit (Loss) for the year**	**558,649**	**261,926**	**(8,741)**	**296,723**	**113.29**
340.	Profit (Loss) for the year pertaining to minority interests	(33,526)	(25,001)	16	(8,525)	34.10
350.	**Profit (Loss) for the year pertaining to the Parent Company**	**525,123**	**236,925**	**(8,725)**	**288,198**	**121.64**

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Performance ratios[2]

Financial ratios	31.12.2021	2020 (*)
Structural ratios		
Net loans to customers/total assets	58.02%	56.96%
Net loans to customers/direct deposits from customers	78.03%	83.95%
Financial assets/total assets	20.81%	26.50%
Gross non-performing loans/gross loans to customers	4.91%	7.84%
Net non-performing loans/net loans to customers	2.02%	4.02%
Texas ratio[3]	45.58%	55.37%
Profitability ratios		
ROE[4]	8.66%	4.41%
ROTE[5]	9.57%	5.06%
ROA[6]	0.41%	0.28%
Cost to income ratio[7]	73.42%	64.85%
Cost of credit risk[8]	1.06%	1.01%
Prudential supervision ratios	**31.12.2021**	**2020 (*)**
Own Funds (Phased in)[9] (in thousands of Euro)		
Common Equity Tier 1 (CET1)	6,576,227	5,931,675
Own Funds	7,781,971	7,097,554
Risk-weighted assets (RWA)	45,340,544	33,487,963
Capital and liquidity ratios		
Common Equity Tier 1 Ratio (CET1 Ratio) - Phased in pro-forma[10]	14.50%	17.71%
Tier 1 Ratio (T1 Ratio) - Phased in pro-forma[11]	14.84%	18.16%
Total Capital Ratio (TC Ratio) - Phased in pro-forma[12]	17.16%	21.19%
Common Equity Tier 1 Ratio (CET1 Ratio) - Fully Phased pro-forma[13]	13.50%	15.81%
Liquidity Coverage Ratio (LCR)	215.1%	200.1%
Net Stable Funding Ratio (NSFR)	142.5%	123.7%

(*) The comparative balance sheet ratios have been calculated on figures at 31 December 2020 which take into account the effects of the retrospective application of the change in the measurement method of property, plant and equipment held for investment.

[2] To construct ratios, reference was made to the balance sheet and income statement captions of the reclassified statements providing an operational management view as per the present Press Release.
[3] The texas ratio is calculated as total gross non-performing loans on net tangible equity plus impairment provisions for non-performing loans.
[4] ROE has been calculated as net profit for the year (Euro 478.5 million ordinary component only) on the Group's average shareholders' equity not including net profit.
[5] ROTE has been calculated as net profit for the year (Euro 478.5 million ordinary component only) on the Group's average shareholders' equity of Group not including net profit and intangible assets.
[6] ROA has been calculated as net profit for the year including net profit pertaining to minority interests (Euro 512.0 million ordinary component only) on total assets.
[7] The Cost to income ratio has been calculated on the basis of the layout of the reclassified income statement (operating costs/operating income); when calculated on the basis of the layout provided by the 7th update of Bank of Italy Circular no. 262, the Cost to income ratio is at 79.59% (69.16% at 31 December 2020 taking into account the effects of the retrospective application of the change in the measurement method of property, plant and equipment held for investment).
[8] The Cost of credit risk has been calculated as net impairment losses to loans to customers on net loans to customers.
[9] Items have been calculated according to the provisions of Regulation (EU) 2395/2017, which amends the Regulation (EU) 575/2013 (CRR) relating to "Transitional provisions to mitigate the impact of IFRS 9 on Own Funds". This Regulation introduced the transitional arrangement (or so-called "Phased In") giving banks a chance to spread the effect on Own Funds over a period of 5 years (from March 2018 to December 2022), sterilizing the impact on CET1 by applying decreasing percentages over time. The BPER Banca Group chose to adopt the so-called "static approach" to be applied to the impact from comparing the IAS 39 adjustments at 31 December 2017 and the IFRS 9 adjustments at 1 January 2018.
[10] The pro-forma capital ratios have been calculated including the result for the year, net of the pro-quota dividends, thus simulating, in advance, the effects of the authorisation issued by the ECB for the inclusion of these profits in Own Funds pursuant to art. 26, para. 2 of the CRR.
[11] See previous note.
[12] See previous note.
[13] See previous note.

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Balance sheet of the Parent Company as at 31 December 2021

(in thousands)

	Assets	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10.	Cash and cash equivalents	1,338,507	728,420		610,087	83.75
20.	Financial assets measured at fair value through profit or loss	956,911	983,756		(26,845)	-2.73
	a) financial assets held for trading	346,279	310,818		35,461	11.41
	b) financial assets designated at fair value	125,098	123,370		1,728	1.40
	c) other financial assets mandatorily measured at fair value	485,534	549,568		(64,034)	-11.65
30.	Financial assets measured at fair value through other comprehensive income	6,424,261	6,051,222		373,039	6.16
40.	Financial assets measured at amortised cost	112,582,971	70,978,133		41,604,838	58.62
	a) loans to banks	30,015,877	16,055,613		13,960,264	86.95
	b) loans to customers	82,567,094	54,922,520		27,644,574	50.33
50.	Hedging derivatives	178,108	57,695		120,413	208.71
70.	Equity investments	2,006,574	2,008,146		(1,572)	-0.08
80.	Property, plant and equipment	1,356,461	804,062	(2,322)	552,399	68.70
90.	Intangible assets	239,546	480,782		(241,236)	-50.18
	of which:					
	- goodwill	-	230,366		(230,366)	-100.00
100.	Tax assets	1,473,022	1,687,226	(1,884)	(214,204)	-12.70
	a) current	387,988	402,666		(14,678)	-3.65
	b) deferred	1,085,034	1,284,560	(1,884)	(199,526)	-15.53
110.	Non-current assets and disposal groups classified as held for sale	4,898	3,716	522	1,182	31.81
120.	Other assets	880,466	444,330		436,136	98.16
	Totale assets	**127,441,725**	**84,227,488**	**(3,684)**	**43,214,237**	**51.31**

(in thousands)

	Liabilities and shareholders' equity	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10.	Financial liabilities measured at amortised cost	117,296,407	75,566,875		41,729,532	55.22
	a) due to banks	28,355,383	24,095,097		4,260,286	17.68
	b) due to customers	84,129,452	46,793,064		37,336,388	79.79
	c) debt securities issued	4,811,572	4,678,714		132,858	2.84
20.	Financial liabilities held for trading	132,079	182,981		(50,902)	-27.82
40.	Hedging derivatives	241,370	456,447		(215,077)	-47.12
60.	Tax liabilities	37,811	49,648	2,512	(11,837)	-23.84
	a) current	1,955	-		1,955	n.s.
	b) deferred	35,856	49,648	2,512	(13,792)	-27.78
80.	Other liabilities	2,475,348	1,500,563		974,785	64.96
90.	Employee termination indemnities	174,110	107,416		66,694	62.09
100.	Provisions for risks and charges	671,817	454,186		217,631	47.92
	a) commitments and guarantees granted	81,381	49,251		32,130	65.24
	b) pension and similar obligations	139,744	147,829		(8,085)	-5.47
	c) other provisions for risks and charges	450,692	257,106		193,586	75.29
110.	Valuation reserves	(11,327)	(54,799)		43,472	-79.33
130.	Equity instruments	150,000	150,000		-	-
140.	Reserves	2,375,590	2,342,238	103	33,352	1.42
150.	Share premium reserve	1,240,428	1,241,197		(769)	-0.06
160.	Share capital	2,100,435	2,100,435		-	-
170.	Treasury shares (-)	(9,546)	(7,253)		(2,293)	31.61
180.	Profit (Loss) for the year (+/-)	567,203	137,554	(6,299)	429,649	312.35
	Total liabilities and shareholders' equity	**127,441,725**	**84,227,488**	**(3,684)**	**43,214,237**	**51.31**

BPER:
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Income statement of the Parent Company as at 31 December 2021

	Captions	31.12.2021	31.12.2020	of which: IAS 40 impact	Change	% Change
10.	Interest and similar income	1,425,207	1,096,963		328,244	29.92
	of which: interest income calculated using the effective interest method	1,415,691	1,088,007		327,684	30.12
20.	Interest and similar expense	(257,918)	(195,450)		(62,468)	31.96
30.	**Net interest income**	**1,167,289**	**901,513**		**265,776**	**29.48**
40.	Commission income	1,352,548	817,034		535,514	65.54
50.	Commission expense	(92,625)	(62,735)		(29,890)	47.64
60.	**Net commission income**	**1,259,923**	**754,299**		**505,624**	**67.03**
70.	Dividends and similar income	60,201	24,645		35,556	144.27
80.	Net income from trading activities	65,619	(14,884)		80,503	-540.87
90.	Net income from hedging activities	(2,255)	(577)		(1,678)	290.81
100.	Gains (Losses) on disposal or repurchase of:	81,372	117,313		(35,941)	-30.64
	a) financial assets measured at amortised cost	66,441	108,077		(41,636)	-38.52
	b) financial assets measured at fair value through other comprehensive income	15,398	8,920		6,478	72.62
	c) financial liabilities	(467)	316		(783)	-247.78
110.	Net income on financial assets and liabilities measured at fair value through profit or loss	29,423	11,412		18,011	157.83
	a) financial assets and liabilities designated at fair value	1,576	(3,684)		5,260	-142.78
	b) other financial assets mandatorily measured at fair value	27,847	15,096		12,751	84.47
120.	**Net interest and other banking income**	**2,661,572**	**1,793,721**		**867,851**	**48.38**
130.	Net impairment losses for credit risk relating to:	(641,890)	(443,781)		(198,109)	44.64
	a) financial assets measured at amortised cost	(643,997)	(443,433)		(200,564)	45.23
	b) financial assets measured at fair value through other comprehensive income	2,107	(348)		2,455	-705.46
140.	Gains (Losses) from contractual modifications without derecognition	(2,162)	(2,076)		(86)	4.14
150.	**Net income from financial activities**	**2,017,520**	**1,347,864**		**669,656**	**49.68**
160.	Administrative expenses:	(2,131,470)	(1,326,776)		(804,694)	60.65
	a) staff costs	(1,258,751)	(751,764)		(506,987)	67.44
	b) other administrative expenses	(872,719)	(575,012)		(297,707)	51.77
170.	Net provisions for risks and charges	(52,469)	(13,061)		(39,408)	301.72
	a) commitments and guarantees granted	(14,638)	(3,036)		(11,602)	382.15
	b) other net provisions	(37,831)	(10,025)		(27,806)	277.37
180.	Net adjustments to property, plant and equipment	(147,776)	(92,950)	6,166	(54,826)	58.98
190.	Net adjustments to intangible assets	(106,275)	(54,446)		(51,829)	95.19
200.	Other operating expense/income	243,546	176,513		67,033	37.98
210.	**Operating costs**	**(2,194,444)**	**(1,310,720)**	**6,166**	**(883,724)**	**67.42**
220.	Gains (Losses) of equity investments	(5,004)	(3,269)		(1,735)	53.07
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	(24,370)	(10,268)	(10,268)	(14,102)	137.34
240.	Impairment losses on goodwill	(230,366)	-		(230,366)	n.s.
245.	Gain on a bargain purchase	1,127,847	-		1,127,847	n.s.
250.	Gains (Losses) on disposal of investments	533	145	(672)	388	267.59
260.	**Profit (Loss) from current operations before tax**	**691,716**	**23,752**	**(4,774)**	**667,964**	**--**
270.	Income taxes on current operations for the year	(124,513)	113,802	(1,525)	(238,315)	-209.41
280.	**Profit (Loss) from current operations after tax**	**567,203**	**137,554**	**(6,299)**	429,649	312.35
300.	**Profit (Loss) for the year**	**567,203**	**137,554**	**(6,299)**	**429,649**	**312.35**