

PRESS RELEASE

CONSOLIDATED RESULTS AS AT 31 December 2022

- CONSOLIDATED NET RECURRING PROFIT¹ OF EUR 502.8 MLN
- CONSOLIDATED NET ACCOUNTING PROFIT OF EUR 1,449.0 MLN
- PROPOSAL FOR A CASH DIVIDEND OF € 0.12 PER SHARE
- NET INTEREST INCOME (+21.3% Y/Y) AND NET COMMISSION INCOME (+18.3% Y/Y) CONFIRM THE ROBUST REVENUE GROWTH (+19.7% Y/Y)
- NEW LOANS UP TO € 16.5 BN IN 2022 (+25.8% Y/Y)
- CREDIT QUALITY FURTHER IMPROVING, WITH GROSS AND NET NPE RATIOS RESPECTIVELY DOWN TO 3.2% AND 1.4% (VS. 4.9% AND 2.0% AT THE END OF 2021)
- SOUND CAPITAL POSITION WITH PRO-FORMA FULLY PHASED CET 1 RATIO² OF 13.2% WELL ABOVE SREP REQUIREMENT (8.47%)

Modena – 8 February 2023. The Board of Directors of BPER Banca (the “**Bank**”) chaired by Flavia Mazzarella has today examined and approved the Bank separate and Group consolidated results as at 31 December 2022.

Bper’s Chief Executive Officer Piero Luigi Montani commented: *“2022 was a remarkable year for BPER Banca, replete with achievements. First and foremost, I would like to highlight the successful completion of the integration of Banca Carige, a transaction that was closed at the end of November with the deed of merger, followed by the full-scale migration of the IT systems. This further step in the process of banking consolidation has made it possible for us to significantly increase lending and funding volumes in regions with a limited footprint and to further strengthen our competitive position on a national scale, not least as a result of our customer base growing considerably by about 20% from 4.2 to over 5 million. The structural growth in recurring profitability, combined with the strong improvement in asset quality and the preservation of a sound capital position continue to be the hallmarks of our Banking Group. I also wish to note that the new 2022-2025 Business Plan was presented in June and its implementation is already delivering significant upside in terms of streamlining the operational structure and increasing the profitability of the Group. All this was made possible by the enhancement of our product factories in the Group’s strategic areas and a step-up in digitalisation, with the aim to improve relations with customers and meet their new, advanced needs. Continued progress in derisking has enabled us to further downsize our stock of non-performing loans, driving the gross NPE ratio down to 3.2% from 4.9% at the end of 2021. Our sound capital position is the basis for us to propose a dividend payout in the amount of € 0.12 per share, twice the level of last year.*

Moreover, the Group intends to strengthen its leadership in the management of ESG issues and become a credible and reliable partner for its customers in their journey to create a more sustainable, fair and inclusive society. In the course of 2022, we developed concrete actions with precise targets in terms of reducing environmental impacts,

supporting customers in their ecological transition and attaching importance to inclusion and diversity management. We can now focus on consolidating the position BPER Banca has achieved at national level by continuing to implement our Business Plan actions in the knowledge that the results attained will enable us to generate added value to the benefit of all our stakeholders, even in a complex macroeconomic environment'.

Consolidated income statement: key figures

(Banca Carige has been consolidated line by line in the BPER Group's income statement since the third quarter of 2022).

Net interest income totalled € 1,825.9 mln (+21.3% y/y), with 4Q22 accounting for € 565.5 mln (+19,1% q/q). Key contributors to the quarter include commercial NII for an amount of € 584.2 mln, the securities portfolio for an amount of € 81.7 mln and TLTRO-III funds³ for a negative amount of € 11.1 mln.

Net fee and commission income amounted to € 1,942.1 mln, up 18.3% y/y. The 4Q22 figure totalled € 524.1 mln, up 4.0% q/q. In particular, commissions on traditional banking for the quarter amounted to € 306.4 mln (+1.0% q/q), commissions on indirect deposits settled at € 157.3 mln (+6.6% q/q) and bancassurance commissions totalled € 60.3 mln (+13.5% q/q).

Dividends amounted to € 22.1 mln, of which € 2.9 mln in 4Q22.

Net income from financial activities totalled € 139.7 mln (€ 23.0 mln in 4Q22), benefiting from gains on disposal of financial assets for an amount of € 18.4 mln.

Other net operating expense/income, totalling € 328.5 mln (€ 328.9 mln in 4Q22), includes a € 300.0 mln one-off component comprising the € 308.3 mln capital gain from the merchant acquiring and POS management business disposal, the € 7.7 mln positive adjustment to the cost incurred for the personnel manoeuvre in 2019, the capital gain from the sale of the pledge lending undertakings of Banca Carige and Banca del Monte di Lucca for an amount of € 7.6 mln and the refund of fast-track loan approval process fees (CIV) to customers for the years 2012-2015 for an amount of - € 23.5 mln.

Operating income amounted to € 4,258.4 mln (€ 1,444.3 mln in 4Q22).

Operating costs amounted to € 2,787.8 mln (€ 985.2 mln recognised in 4Q22), of which:

- **Staff costs** amounted to € 1,682.3 mln (€ 609.8 mln in 4Q22), impacted by € 200.6 mln in one-off costs, including € 166.2 mln relating to the expansion of the workforce optimisation effort already embedded in the Plan and € 10.4 mln for the one-time allowance paid and accounted for in 4Q22 to help employees deal with increased cost of living, and € 24.0 mln in cost adjustments to the workforce optimisation effort announced in December 2021 and recognised in 2Q22.
- **Other administrative expenses** amounted to € 877.8 mln and included € 55.0 mln worth of one-off charges in relation to Banca Carige's integration process. The aggregate for the fourth quarter of 2022 totalled € 302.5 mln.
- **Net adjustments to property, plant, equipment and intangible assets** amounted to € 227.7 mln. In 4Q22 the aggregate totalled € 72.9 mln, including € 7.0 mln worth of non-recurring adjustments to software assets.

Net operating income amounted to € 1,470.6 mln, of which € 459.1 mln posted in 4Q22.

Net impairment losses for credit risk amounted to € 606.6 mln and include € 19.5 mln in net impairment losses (classified in sub-caption "other financial assets") on on-balance sheet exposures to Russia. The aggregate for 4Q22 totalled € 271.2 mln and comprises € 60.6 mln worth of non-recurring collective provisions in relation to the integration of Banca Carige. **Cost of risk** at 64 bps (59 bps⁴ excluding additional provisions).

Net provisions for risks and charges amounted to € 132.3 mln. The aggregate for the fourth quarter of 2022 totalled € 79.4 mln.

Contributions to the Banking System funds amount to € 172.4 mln. More specifically:

- € 45.7 mln (recognised in 1H22) in contributions to the **Single Resolution Fund (“SRF”)**;
- € 126.7 mln (recognised in 2H22) in contributions to the **Deposit Guarantee Fund (“DGS”)**, up from last year’s amount primarily due to the expansion of the deposit base following the acquisition of Banca Carige.

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.

Gain on a bargain purchase. Badwill arising from the Purchase Price Allocation (PPA) process required by IFRS 3 “Business Combinations”⁵ with regard to Banca Carige’s acquisition, was posted to this caption for an amount of € 833.1 mln.

Gains (Losses) on investments amounted to - € 7.7 mln. The aggregate for the fourth quarter of 2022 amounted to a negative € 21.1 mln and included write-downs largely due to the fair value measurement of owned properties.

Profit before tax from continuing operations totalled € 1,384.6 mln. The aggregate for the fourth quarter of 2022 totalled € 254.3 mln.

Income taxes for the year amounted to a positive € 89.3 mln accounted for by a one-off component of € 118.3 mln including deferred tax assets in relation to tax losses for an amount of € 110.5 mln, taxes on the individual P&L one-off items for an amount of € 119.3 mln and recognition of the fee in relation to the upside from conversion of the DTAs acquired from Banca Carige in relation to tax losses and ACE (Allowance for Corporate Equity) into tax credits for an amount of -€111.5 mln.

As a result, **profit for the year** totalled € 1,473.9 mln, inclusive of € 24.9 mln in profit for the year pertaining to minority interests.

Profit for the year pertaining to the Parent Company therefore amounted to € 1,449.0 mln. Excluding one-offs amounting to € 946.2, profit totalled € 502.8 mln.

Consolidated balance sheet: key figures

(Unless otherwise specified, percentage changes refer to figures being compared with data as at 31/12/21).

Direct funding from customers (due to customers, debt securities issued and financial liabilities measured at fair value) settled at € 114.8 bn, up 13.3% y/y. The key contributor to the aggregate amount was funding from retail/corporate customers, totalling € 108.7 bn and consisting mainly of current accounts and deposits for an amount of € 102.5 bn, up 11.5%.

Indirect funding from customers, totalling € 163.2 bn, was down 1.9% due to the financial markets negative performance year to date. More specifically:

- **AuM** totalled € 60.6 bn (+5.1% q/q).
- **life insurance premiums underwritten** amounted to € 24.3 bn (+2.5% q/q);
- **AuC** totalled € 78.3 bn, up 5.5% q/q.

Gross loans to customers amounted to € 93.6 bn, up 14.1%. As part of the aggregate, performing loans amounted to € 90.6 bn (+16.2%) and non-performing loans totalled € 3.0 bn, down 25.7%. The share of gross non-performing loans to total gross loans (**gross NPE Ratio**) is 3.2%, down further from 4.2% in the previous quarter, mainly as a result of the disposal of an NPL portfolio. The default rate remains very low (0.8%).

As regards the breakdown of gross non-performing loans, **bad loans** amounted to € 1.0 bn, down 52.3%; **unlikely-**

to-pay (UTP) exposures settled at € 1.9 bn (-0.6%); **past due exposures** amounted to € 158.4 mln (+24.0%).

Net loans to customers amounted to € 91.2 bn, up 15.2%. As part of this item, net performing loans totalled € 89.9 bn, up 16.0%. Net non-performing loans amounted to € 1.3 bn, accounting for 1.4% of total net loans to customers (**net NPE ratio**), down from 1.7% in the previous quarter. The coverage ratio of total non-performing loans stands at 57.1%.

A breakdown of NPLs shows € 0.2 bn in **net bad loans** (-61.0%), with coverage rising to 77.0% from 77.9% in 3Q22; € 1.0 bn in **net UTPs** (+2.3%) with coverage of 49.0%, up from 47.3% in 3Q22; € 108.6 mln in **net past due exposures** (+14.8%) with coverage of 31.4%, up from 28.8% in the previous quarter.

Performing loan coverage settles at 0.77%, up from 0.68% in the previous quarter; in particular, Stage 2 loan coverage is 4.44% (up from 4.33% in 3Q22).

Financial assets total € 30.7 bn. Within the aggregate, debt securities amount to € 28.8 bn (93.9% of the total portfolio) with duration of approximately 1.9 years net of hedging and include € 15.1 bn worth of bonds issued by governments, including € 10.4 bn of Italian government bonds.

As regard the **liquidity position**, the Liquidity Coverage Ratio (**LCR**) as at 31 December 2022 is slightly below 200%, while the Net Stable Funding Ratio (NSFR) is estimated at over 100%. Refinancing operations of the BPER Group with the European Central Bank (ECB), entirely consisting in TLTRO III funds with a maturity of three years, amount to € 15.9 bn.

Total shareholders' equity amounts to € 8,121 mln, with minority interests accounting for € 180.4 mln. **Group consolidated shareholders' equity**, including net profit for the period, therefore amounts to € 7,940 mln.

Capital Ratios

Reported below are the pro-forma capital ratios as at 31 December 2022, calculated by factoring in i) the full DTA uplift associated with the incentives for business combinations introduced by Law No. 178 of 30 December 2020 (the '2021 Budget Law'), in conjunction with the additional provisions introduced by Law No. 234 of 30 December 2021 (the '2022 Budget Law'), which BPER can take advantage of after Banca Carige was acquired in June 2022 and ii) the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs.

- pro-forma Phased-In Common Equity Tier 1 (CET1) ratio⁶ of 13.6% (14.5% as at 31 December 2021). Calculated on a pro-forma Fully Phased⁷ basis, the ratio is 13.2% (13.5% as at 31 December 2021);
- Pro-forma Phased-In Tier 1 ratio⁸ of 13.9% (14.8% as at 31 December 2021);
- pro-forma Phased-In Total Capital Ratio⁹ of 17.3% (17.2% as at 31 December 2021).

Structure highlights as at 31 December 2022

The BPER Banca Group is present in twenty regions of Italy with a network of 1,913 bank branches, in addition to the Luxembourg office of BPER Bank Luxembourg S.A..

Group employees total 21,059 as compared to a headcount of 18,128 at year-end 2021.

Proposed allocation of BPER Banca's profit for the year

The Board has approved the proposal for the distribution of a cash dividend of € 0.12 per share for each of the

1,415,850,518 shares representing the share capital (net of those held in the portfolio on the ex-coupon date, namely 1,654,425 as at 7 February 2023), for a maximum total amount of € 169,902,062.16.

Outlook for operations

Economic activity in the euro area, still affected by high inflation and geo-political tensions due to the war in Ukraine, remained broadly stable in the fourth quarter compared to the prior period. Inflationary pressures still remained high, albeit declining since November. The energy component, although decelerating, continued to pass through to the prices of other goods and services.

Economic projections continue to be surrounded by high uncertainty, stemming above all from the ongoing conflict in Ukraine. The most recent economic indicators for the euro area point to a slowdown in GDP growth in 2023, due to a weaker global business cycle and the continuation of sustained price dynamics, with growth expected to strengthen again in the following two years.

With regard to the economic activity in Italy, after an increase by almost 4% in 2022, Italian GDP growth, based on the Bank of Italy's latest projections¹⁰, is expected to weaken to 0.6% in 2023, under a baseline scenario assuming that the war-induced tensions will continue in the first months of 2023, before gradually subsiding over time. Growth is projected to strengthen again in the following two years due to increased exports and domestic demand. At the same time, inflation, which rose to almost 9 % in 2022, is expected to fall linearly in 2023 and continue its downward trajectory, settling at 2.0 % by 2025.

Against this backdrop, our Group's profitability will continue to be underpinned by the resilience of net commissions, actions to offset inflationary pressure on costs, and growing revenues that will still benefit from higher interest rates despite the worsening conditions of ECB funding in the form of TLTROs.

On the operating cost side, rationalisation and efficiency-improving efforts will continue, with a view to mitigating the impacts of the spike in inflation and offsetting the cost of the investments earmarked in the new Business Plan.

Derisking will likewise continue, with the expected disposal of two UTP loan portfolios.

Maintaining resilient coverage levels and a conservative provisioning approach will continue to be a key feature of our credit quality. Our capital position is expected to remain robust.

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 2022, which are scheduled to be approved by the Bank's Board of Directors on 09 March 2023.

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 on the authorised storage system (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 2022, in addition to a summary of key financial indicators;
- the Parent Company's separate Balance Sheet and Income Statement as at 31 December 2022.

Modena, 08/02/2023

**The Chief Executive Officer
Piero Luigi Montani**

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, 08/02/2023

**The Manager responsible for preparing
the company's financial reports
Marco Bonfatti**

A conference call to illustrate the consolidated results of the BPER Banca Group as at 31 December 2022 will be held today at 6 p.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 1 212818004
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 main non-recurring items recognised in 2022:

- + € 833.1 mln in "Badwill", of which +€ 1,188.4 mln in Q2, - €17.1 mln in Q3 and - €338.2 mln in Q4;
- + € 18.4 mln in one-off gains recognised as "Net income from financial activities";
- + € 300.0 mln in one-off charges recognised as "Other operating income and expenses";
- - € 200.6 mln in "Staff costs", of which - € 24.0 mln in Q2 and -€ 176.6 mln in Q4;
- - € 55.0 mln in " Other Administrative Expenses", of which - € 9 mln in Q2, - € 14.7 mln in Q3 and - € 31.3 mln in Q4;
- - € 60.6 mln in one-off charges recognised as "Impairment losses to financial assets at amortised cost";
- - € 7.0 mln in one-off charges recognised as "Net adjustments to property, plant, equipment and intangible assets";
- + € 118.3 mln in "Income taxes on current operations for the year".

² 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.

The calculation has additionally factored in the upside associated with the incentives for business combinations introduced by Law No. 178 of 30 December 2020 (the '2021 Budget Law'), in conjunction with the additional provisions introduced by Law No. 234 of 30 December 2021 (the '2022 Budget Law'), which BPER Banca will take advantage of after the acquisition of Banca Carige last June. This upside, specifically derives from the conversion into tax credits of DTAs for tax losses and ACE (Allowance for Corporate Equity), in an amount not exceeding 2% of the value of the assets of the smaller combining entity, net of the payable fee.

The calculation has also factored in the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs.

³ TLTRO-III funds also factor in the interest income on the compulsory reserve and overnight deposits with Central Banks, in addition to the release of Carige's Cash Flow Hedge reserve.

⁴ The cost of credit is calculated by considering caption 130 a) "Impairment losses on financial assets at amortised cost – loans to customers" for an amount of € 582.8 mln and € 19.5 mln worth of provisions for on-balance sheet credit exposures to Russia included in caption 130 a) "Impairment losses to financial assets at amortised cost – other financial assets".

⁵ Under IFRS 3, Purchase Price Allocation adjustments can be made within a 12-month measurement period from the business combination date.

⁶ The "pro-forma" figures for the regulatory ratios calculated on a phased-in basis include:

- a) 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;
- b) full benefit of Banca Carige's DTAs described in Note 2.
- c) the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs.

Net of the upside under items b) and c) above, the phased-in capital ratios as at 31/12/2022 are as follows:

- CET1 ratio 13.21%
- Tier1 ratio 13.50%
- Total Capital Ratio 16.82%

⁷ See Note 2.

⁸ See Note 6.

⁹ See Note 6.

¹⁰ Bank of Italy, Economic Bulletin no. 1, 20 January 2023.

Reclassified financial statements as at 31 December 2022

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 measured at amortised cost (caption 40 *“Financial assets measured at amortised cost”*) have been reclassified to the caption *“Financial assets”*;
- the caption *“Other assets”* includes captions 110 *“Tax assets”*, 120 *“Non-current assets and disposal groups classified as held for sale”* and 130 *“Other assets”*;
- the caption *“Other liabilities”* includes captions 60 *“Tax liabilities”*, 70 *“Liabilities associated with assets classified as held for sale”*, 80 *“Other liabilities”*, 90 *“Employee termination indemnities”* and 100 *“Provisions for risks and charges”*.

In the income statement:

- the caption *“Net commission income”* includes Euro 20.3 million related to commission on placement of Certificates, allocated for accounting purposes to caption 110 *“Net income on other financial assets and liabilities measured at fair value through profit or loss”* of the accounting schedule;
- the caption *“Net income from financial activities”* includes captions 80, 90, 100 and 110 of the accounting schedule, net of commission on placement of Certificates mentioned above;
- 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 250.5 million at 31 December 2022 and Euro 232.3 million at 31 December 2021);
- the caption *“Net adjustments to property, plant, equipment and intangible assets”* includes captions 210 and 220 of the accounting schedule;
- the caption *“Gains (Losses) on investments”* includes captions 250, 260, 270 and 280 of the accounting schedule;
- the caption *“Income taxes on current operations for the year”* includes the commission for the conversion of the tax losses of Carige into DTAs (Euro 111.5 million), allocated in the caption 190a) *“Other administrative expenses”* 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 2022, this caption represents the component allocated for accounting purposes to administrative expenses in relation to:
 - the 2022 contribution to the SRF (European Single Resolution Fund) for Euro 45.7 million;
 - the 2022 contribution to the DGS (Deposit Guarantee Schemes) for Euro 126.7 million.

Reclassified consolidated balance sheet as at 31 December 2022

Assets	31.12.2022	30.09.2022	(in thousands)				
			Change 31.12.2022 - 30.09.2022	% Change 31.12.2022 - 30.09.2022	31.12.2021	Change 31.12.2022 - 31.12.2021	% Change 31.12.2022 - 31.12.2021
Cash and cash equivalents	13,997,441	25,659,992	(11,662,551)	-45.45	1,306,282	12,691,159	971.55
Financial assets	30,665,767	30,483,095	182,672	0.60	28,373,380	2,292,387	8.08
a) Financial assets held for trading	707,498	644,603	62,895	9.76	323,721	383,777	118.55
b) Financial assets designated at fair value	2,381	2,375	6	0.25	125,098	(122,717)	-98.10
c) Other financial assets mandatorily measured at fair value	742,099	732,116	9,983	1.36	714,759	27,340	3.83
d) Financial assets measured at fair value through other comprehensive income	7,962,910	8,279,456	(316,546)	-3.82	6,631,897	1,331,013	20.07
e) Debt securities measured at amortised cost	21,250,879	20,824,545	426,334	2.05	20,577,905	672,974	3.27
- banks	6,596,865	6,263,929	332,936	5.32	5,795,622	801,243	13.82
- customers	14,654,014	14,560,616	93,398	0.64	14,782,283	(128,269)	-0.87
Loans	94,193,207	94,152,489	40,718	0.04	100,862,925	(6,669,718)	-6.61
a) Loans to banks	2,885,583	3,205,666	(320,083)	-9.98	21,695,054	(18,809,471)	-86.70
b) Loans to customers	91,174,835	90,801,472	373,363	0.41	79,112,914	12,061,921	15.25
c) Financial assets measured at fair value	132,789	145,351	(12,562)	-8.64	54,957	77,832	141.62
Hedging derivatives	1,808,515	1,766,702	41,813	2.37	178,108	1,630,407	915.40
Equity investments	376,158	370,927	5,231	1.41	240,534	135,624	56.38
Property, plant and equipment	2,546,295	2,612,725	(66,430)	-2.54	1,946,456	599,839	30.82
Intangible assets	563,502	488,845	74,657	15.27	459,197	104,305	22.71
- of which: goodwill	204,392	204,392	-	-	204,392	-	-
Other assets	8,151,909	7,419,487	732,422	9.87	2,980,991	5,170,918	173.46
Total assets	152,302,794	162,954,262	(10,651,468)	-6.54	136,347,873	15,954,921	11.70

Liabilities and shareholders' equity	31.12.2022	30.09.2022	(in thousands)				
			Change 31.12.2022 - 30.09.2022	% Change 31.12.2022 - 30.09.2022	31.12.2021	Change 31.12.2022 - 31.12.2021	% Change 31.12.2022 - 31.12.2021
Due to banks	22,000,489	29,173,060	(7,172,571)	-24.59	23,633,494	(1,633,005)	-6.91
Direct deposits	114,831,032	116,678,840	(1,847,808)	-1.58	101,388,140	13,442,892	13.26
a) Due to customers	107,414,943	109,628,998	(2,214,055)	-2.02	96,627,735	10,787,208	11.16
b) Debt securities issued	6,536,891	6,449,592	87,299	1.35	4,760,405	1,776,486	37.32
c) Financial liabilities designated at fair value	879,198	600,250	278,948	46.47	-	879,198	n.s.
Financial liabilities held for trading	471,598	467,251	4,347	0.93	123,957	347,641	280.45
Macro-hedging activity	231,689	314,059	(82,370)	-26.23	249,178	(17,489)	-7.02
a) Hedging derivatives	512,981	588,668	(75,687)	-12.86	249,178	263,803	105.87
b) Change in value of macro-hedged financial liabilities (+/-)	(281,292)	(274,609)	(6,683)	2.43	-	(281,292)	n.s.
Other liabilities	6,647,457	8,289,556	(1,642,099)	-19.81	4,094,295	2,553,162	62.36
Minority interests	180,356	174,567	5,789	3.32	162,497	17,859	10.99
Shareholders' equity pertaining to the Parent Company	7,940,173	7,856,929	83,244	1.06	6,696,312	1,243,861	18.58
a) Valuation reserves	60,681	(37,346)	98,027	-262.48	196,370	(135,689)	-69.10
b) Reserves	2,944,603	2,959,997	(15,394)	-0.52	2,493,508	451,095	18.09
c) Equity instruments	150,000	150,000	-	-	150,000	-	-
d) Share premium reserve	1,237,276	1,237,324	(48)	-	1,240,428	(3,152)	-0.25
e) Share capital	2,104,316	2,100,435	3,881	0.18	2,100,435	3,881	0.18
f) Treasury shares	(5,678)	(19,857)	14,179	-71.41	(9,552)	3,874	-40.56
g) Profit (Loss) for the year	1,448,975	1,466,376	(17,401)	-1.19	525,123	923,852	175.93
Total liabilities and shareholders' equity	152,302,794	162,954,262	(10,651,468)	-6.54	136,347,873	15,954,921	11.70

Reclassified consolidated income statement as at 31 December 2022

Captions		(in thousands)			
		31.12.2022	31.12.2021	Change	% Change
10+20	Net interest income	1,825,893	1,505,362	320,531	21.29
40+50	Net commission income	1,942,080	1,641,575	300,505	18.31
70	Dividends	22,124	20,084	2,040	10.16
80+90+100 +110	Net income from financial activities	139,722	196,231	(56,509)	-28.80
230	Other operating expense/income	328,532	25,026	303,506	--
	Operating income	4,258,351	3,388,278	870,073	25.68
190 a)	Staff costs	(1,682,286)	(1,528,240)	(154,046)	10.08
190 b)	Other administrative expenses	(877,808)	(679,158)	(198,650)	29.25
210+220	Net adjustments to property, plant and equipment and intangible assets	(227,672)	(280,117)	52,445	-18.72
	Operating costs	(2,787,766)	(2,487,515)	(300,251)	12.07
	Net operating income	1,470,585	900,763	569,822	63.26
130 a)	Net impairment losses to financial assets at amortised cost	(606,059)	(837,194)	231,135	-27.61
	- loans to customers	(582,815)	(839,068)	256,253	-30.54
	- other financial assets	(23,244)	1,874	(25,118)	--
130 b)	Net impairment losses to financial assets at fair value	(442)	2,115	(2,557)	-120.90
140	Gains (Losses) from contractual modifications without derecognition	(139)	(2,893)	2,754	-95.20
	Net impairment losses for credit risk	(606,640)	(837,972)	231,332	-27.61
200	Net provisions for risks and charges	(132,256)	(80,745)	(51,511)	63.79
###	Contributions to SRF, DGS, IDPF - VS	(172,423)	(133,699)	(38,724)	28.96
250+260 +270+280	Gains (Losses) on investments	(7,745)	(283,323)	275,578	-97.27
275	Gain on a bargain purchase	833,085	1,127,847	(294,762)	-26.13
290	Profit (Loss) from current operations before tax	1,384,606	692,871	691,735	99.84
300	Income taxes on current operations for the year	89,274	(134,222)	223,496	-166.51
330	Profit (Loss) for the year	1,473,880	558,649	915,231	163.83
340	Profit (Loss) for the year pertaining to minority interests	(24,905)	(33,526)	8,621	-25.71
350	Profit (Loss) for the year pertaining to the Parent Company	1,448,975	525,123	923,852	175.93

Reclassified consolidated income statement by quarter as at 31 December 2022

Captions		(in thousands)							
		1st quarter 2022	2nd quarter 2022	3rd quarter 2022	4th quarter 2022	1st quarter 2021	2nd quarter 2021	3rd quarter 2021	4th quarter 2021
10+20	Net interest income	376,429	409,020	474,981	565,463	343,513	384,809	391,097	385,943
40+50	Net commission income	450,559	463,410	504,045	524,066	328,132	405,826	438,451	469,166
70	Dividends	286	15,597	3,309	2,932	1,678	12,269	677	5,460
80+90+ 100+110	Net income from financial activities	58,939	25,457	32,351	22,975	76,241	43,471	52,898	23,621
230	Other operating expense/income	(2,470)	(10,276)	12,417	328,861	8,119	(5,631)	9,247	13,291
	Operating income	883,743	903,208	1,027,103	1,444,297	757,683	840,744	892,370	897,481
190 a)	Staff costs	(352,154)	(359,388)	(360,943)	(609,801)	(302,142)	(355,061)	(313,821)	(557,216)
190 b)	Other administrative expenses	(160,690)	(181,965)	(232,641)	(302,512)	(189,880)	(157,403)	(151,125)	(180,750)
210+220	Net adjustments to property, plant and equipment and intangible assets	(45,584)	(48,498)	(60,664)	(72,926)	(54,454)	(52,510)	(52,849)	(120,304)
	Operating costs	(558,428)	(589,851)	(654,248)	(985,239)	(546,476)	(564,974)	(517,795)	(858,270)
	Net operating income	325,315	313,357	372,855	459,058	211,207	275,770	374,575	39,211
130 a)	Net impairment losses to financial assets at amortised cost	(111,925)	(103,692)	(118,982)	(271,460)	(419,004)	(157,291)	(138,202)	(122,697)
	- loans to customers	(96,109)	(97,604)	(115,171)	(273,931)	(417,667)	(159,229)	(137,174)	(124,998)
	- other financial assets	(15,816)	(6,088)	(3,811)	2,471	(1,337)	1,938	(1,028)	2,301
130 b)	Net impairment losses to financial assets at fair value	(16)	(230)	-	(196)	773	913	(225)	654
140	Gains (Losses) from contractual modifications without derecognition	(1,225)	27	573	486	(602)	(1,177)	(386)	(728)
	Net impairment losses for credit risk	(113,166)	(103,895)	(118,409)	(271,170)	(418,833)	(157,555)	(138,813)	(122,771)
200	Net provisions for risks and charges	(12,200)	(28,839)	(11,785)	(79,432)	(40,914)	(9,592)	(4,527)	(25,712)
###	Contributions to SRF, DGS, IDPF - VS	(45,666)	(55)	(123,280)	(3,422)	(31,055)	(15,106)	(79,957)	(7,581)
250+260 +270+280	Gains (Losses) on investments	4,026	2,988	6,337	(21,096)	(250,655)	(2,629)	(2,631)	(27,408)
275	Gain on a bargain purchase	-	1,188,433	(17,111)	(338,237)	1,077,869	72,053	(22,075)	-
290	Profit (Loss) from current operations before tax	158,309	1,371,989	108,607	(254,299)	547,619	162,941	126,572	(144,261)
300	Income taxes on current operations for the year	(39,579)	(95,745)	(22,046)	246,644	(140,830)	(50,902)	(34,317)	91,827
330	Profit (Loss) for the year	118,730	1,276,244	86,561	(7,655)	406,789	112,039	92,255	(52,434)
340	Profit (Loss) for the year pertaining to minority interests	(6,058)	(4,108)	(4,993)	(9,746)	(6,523)	(10,497)	(7,840)	(8,666)
350	Profit (Loss) for the year pertaining to the Parent Company	112,672	1,272,136	81,568	(17,401)	400,266	101,542	84,415	(61,100)

Consolidated balance sheet as at 31 December 2022

		(in thousands)			
Assets	31.12.2022	31.12.2021	Change	% Change	
10. Cash and cash equivalents	13,997,441	1,306,282	12,691,159	971.55	
20. Financial assets measured at fair value through profit or loss	1,584,767	1,218,535	366,232	30.06	
a) financial assets held for trading	707,498	323,721	383,777	118.55	
b) financial assets designated at fair value	2,381	125,098	(122,717)	-98.10	
c) other financial assets mandatorily measured at fair value	874,888	769,716	105,172	13.66	
30. Financial assets measured at fair value through other comprehensive income	7,962,910	6,631,897	1,331,013	20.07	
40. Financial assets measured at amortised cost	115,311,297	121,294,912	(5,983,615)	-4.93	
a) loans to banks	9,482,448	27,490,676	(18,008,228)	-65.51	
b) loans to customers	105,828,849	93,804,236	12,024,613	12.82	
50. Hedging derivatives	1,808,515	178,108	1,630,407	915.40	
70. Equity investments	376,158	240,534	135,624	56.38	
90. Property, plant and equipment	2,546,295	1,945,000	601,295	30.91	
100. Intangible assets	563,502	459,197	104,305	22.71	
of which:					
- goodwill	204,392	204,392	-	-	
110. Tax assets	2,931,538	1,784,995	1,146,543	64.23	
a) current	579,149	410,514	168,635	41.08	
b) deferred	2,352,389	1,374,481	977,908	71.15	
120. Non-current assets and disposal groups classified as held for sale	1,192,429	97,730	1,094,699	--	
130. Other assets	4,027,942	1,190,683	2,837,259	238.29	
Total assets	152,302,794	136,347,873	15,954,921	11.70	

		(in thousands)			
Liabilities and shareholders' equity	31.12.2022	31.12.2021	Change	% Change	
10. Financial liabilities measured at amortised cost	135,952,323	124,854,511	11,097,812	8.89	
a) due to banks	22,000,489	23,633,494	(1,633,005)	-6.91	
b) due to customers	107,414,943	96,460,612	10,954,331	11.36	
c) debt securities issued	6,536,891	4,760,405	1,776,486	37.32	
20. Financial liabilities held for trading	471,598	123,957	347,641	280.45	
30. Financial liabilities designated at fair value	879,198	-	879,198	n.s.	
40. Hedging derivatives	512,981	249,178	263,803	105.87	
50. Change in value of macro-hedged financial liabilities (+/-)	(281,292)	-	(281,292)	n.s.	
60. Tax liabilities	71,562	68,502	3,060	4.47	
a) current	8,174	9,598	(1,424)	-14.84	
b) deferred	63,388	58,904	4,484	7.61	
70. Liabilities associated with assets classified as held for sale	1,430,197	173,662	1,256,535	723.55	
80. Other liabilities	3,679,162	2,961,320	717,842	24.24	
90. Employee termination indemnities	177,224	209,973	(32,749)	-15.60	
100. Provisions for risks and charges	1,289,312	847,961	441,351	52.05	
a) commitments and guarantees granted	154,497	97,219	57,278	58.92	
b) pension and similar obligations	115,987	140,255	(24,268)	-17.30	
c) other provisions for risks and charges	1,018,828	610,487	408,341	66.89	
120. Valuation reserves	60,681	196,370	(135,689)	-69.10	
140. Equity instruments	150,000	150,000	-	-	
150. Reserves	2,944,603	2,493,508	451,095	18.09	
160. Share premium reserve	1,237,276	1,240,428	(3,152)	-0.25	
170. Share capital	2,104,316	2,100,435	3,881	0.18	
180. Treasury shares (-)	(5,678)	(9,552)	3,874	-40.56	
190. Minority interests (+/-)	180,356	162,497	17,859	10.99	
200. Profit (Loss) for the year (+/-)	1,448,975	525,123	923,852	175.93	
Total liabilities and shareholders' equity	152,302,794	136,347,873	15,954,921	11.70	

Consolidated income statement as at 31 December 2022

Captions	31.12.2022	31.12.2021	(in thousands)	
			Change	% Change
10. Interest and similar income	2,259,459	1,762,746	496,713	28.18
of which: interest income calculated using the effective interest method	2,190,108	1,753,470	436,638	24.90
20. Interest and similar expense	(433,566)	(257,384)	(176,182)	68.45
30. Net interest income	1,825,893	1,505,362	320,531	21.29
40. Commission income	2,116,710	1,845,386	271,324	14.70
50. Commission expense	(194,910)	(203,811)	8,901	-4.37
60. Net commission income	1,921,800	1,641,575	280,225	17.07
70. Dividends and similar income	22,124	20,084	2,040	10.16
80. Net income from trading activities	78,246	67,491	10,755	15.94
90. Net income from hedging activities	(691)	(2,120)	1,429	-67.41
100. Gains (Losses) on disposal or repurchase of:	76,815	100,733	(23,918)	-23.74
a) financial assets measured at amortised cost	65,728	85,712	(19,984)	-23.32
b) financial assets measured at fair value through other comprehensive income	4,254	15,488	(11,234)	-72.53
c) financial liabilities	6,833	(467)	7,300	--
110. Net income on other financial assets and liabilities measured at fair value through profit or loss	5,632	30,127	(24,495)	-81.31
a) financial assets and liabilities designated at fair value	66,978	1,576	65,402	--
b) other financial assets mandatorily measured at fair value	(61,346)	28,551	(89,897)	-314.86
120. Net interest and other banking income	3,929,819	3,363,252	566,567	16.85
130. Net impairment losses for credit risk relating to:	(606,501)	(835,079)	228,578	-27.37
a) financial assets measured at amortised cost	(606,059)	(837,194)	231,135	-27.61
b) financial assets measured at fair value through other comprehensive income	(442)	2,115	(2,557)	-120.90
140. Gains (Losses) from contractual modifications without derecognition	(139)	(2,893)	2,754	-95.20
150. Net income from financial activities	3,323,179	2,525,280	797,899	31.60
180. Net income from financial and insurance activities	3,323,179	2,525,280	797,899	31.60
190. Administrative expenses:	(3,094,607)	(2,573,395)	(521,212)	20.25
a) staff costs	(1,682,286)	(1,528,240)	(154,046)	10.08
b) other administrative expenses	(1,412,321)	(1,045,155)	(367,166)	35.13
200. Net provisions for risks and charges	(132,256)	(62,148)	(70,108)	112.81
a) commitments and guarantees granted	(42,891)	(17,389)	(25,502)	146.66
b) other net provisions	(89,365)	(44,759)	(44,606)	99.66
210. Net adjustments to property, plant and equipment	(149,025)	(168,434)	19,409	-11.52
220. Net adjustments to intangible assets	(78,647)	(111,683)	33,036	-29.58
230. Other operating expense/income	579,073	238,727	340,346	142.57
240. Operating costs	(2,875,462)	(2,676,933)	(198,529)	7.42
250. Gains (Losses) of equity investments	19,145	10,802	8,343	77.24
260. Valuation differences on property, plant and equipment and intangible assets measured at fair value	(30,164)	(64,455)	34,291	-53.20
270. Impairment losses on goodwill	-	(230,366)	230,366	-100.00
275. Gain on a bargain purchase	833,085	1,127,847	(294,762)	-26.13
280. Gains (Losses) on disposal of investments	3,274	696	2,578	370.40
290. Profit (Loss) from current operations before tax	1,273,057	692,871	580,186	83.74
300. Income taxes on current operations for the year	200,823	(134,222)	335,045	-249.62
310. Profit (Loss) from current operations after tax	1,473,880	558,649	915,231	163.83
330. Profit (Loss) for the year	1,473,880	558,649	915,231	163.83
340. Profit (Loss) for the year pertaining to minority interests	(24,905)	(33,526)	8,621	-25.71
350. Profit (Loss) for the year pertaining to the Parent Company	1,448,975	525,123	923,852	175.93

Performance ratios¹

Financial ratios	31.12.2022	2021 (*)
Structural ratios		
Net loans to customers/total assets	59.86%	58.02%
Net loans to customers/direct deposits from customers	79.40%	78.03%
Financial assets/total assets	20.13%	20.81%
Gross non-performing loans/gross loans to customers	3.20%	4.91%
Net non-performing loans/net loans to customers	1.41%	2.02%
Texas ratio ²	32.29%	45.58%
Profitability ratios		
ROE ³	7.94%	8.66%
ROTE ⁴	8.30%	9.57%
ROA ⁵	0.35%	0.41%
Cost to income ratio ⁶	65.47%	73.42%
Cost of credit risk ⁷	0.64%	1.06%
Prudential supervision ratios		
Own Funds (Phased in)⁸ (in thousands of Euro)		
Common Equity Tier 1 (CET1)	7,006,862	6,576,227
Own Funds	8,919,275	7,781,971
Risk-weighted assets (RWA)	53,025,476	45,340,544
Capital and liquidity ratios		
Common Equity Tier 1 Ratio (CET1 Ratio) - Phased in pro-forma ⁹	13.21%	14.50%
Tier 1 Ratio (T1 Ratio) - Phased in pro-forma ¹⁰	13.50%	14.84%
Total Capital Ratio (TC Ratio) - Phased in pro-forma ¹¹	16.82%	17.16%
Common Equity Tier 1 Ratio (CET1 Ratio) - Fully Phased pro-forma ¹²	12.78%	13.50%
Liquidity Coverage Ratio (LCR)	195.3%	215.1%
Net Stable Funding Ratio (NSFR) ¹³	n.a.	142.5%

(*) The comparative ratios have been calculated on figures at 31 December 2021 as per the Consolidated financial statements as at 31 December 2021.

¹ 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.

² The Texas ratio is calculated as total gross non-performing loans on net tangible equity plus impairment provisions for non-performing loans.

³ ROE is calculated as the ratio of net recurring profit for the year (Euro 502.8 million) to the Group's average shareholders' equity not including net profit.

⁴ ROTE is calculated as the ratio of net recurring profit for the year (Euro 502.8 million) to the Group's average shareholders' equity (i) including net recurring profit for the year (Euro 502.8 million), stripped of the portion allocated to dividends and (ii) excluding intangible assets and equity instruments.

⁵ ROA is calculated as the ratio of net recurring profit for the year (Euro 527.3 million, including net profit for the year pertaining to minority interests) and total assets.

⁶ The Cost to income ratio is calculated on the basis of the reclassified income statement (operating costs/operating income); when calculated on the basis of the schedules provided by the 7th update of Bank of Italy Circular no. 262, the Cost to income ratio is 73.17% (79.59% at 31 December 2021 as per the Consolidated financial statements as at 31 December 2021).

⁷ The Cost of credit risk is calculated as net impairment losses to loans to customers on net loans to customers. At 31 December 2022, the cost of credit rises to 0.66%, if calculated by adding the net impairment losses on loans to Russian banks.

⁸ 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.

⁹ 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. Additionally, this ratio will be equal to 13.6%, if it is calculated also i) by factoring in the full upside associated with the incentives for business combinations introduced by Law No. 178 of 30 December 2020 (the '2021 Budget Law'), in combination with the additional provisions introduced by Law No. 234 of 30 December 2021 (the '2022 Budget Law'), which BPER Banca can take advantage of after the acquisition of Banca Carige last June. This upside, resulting specifically from the conversion into tax credits of DTAs for tax losses and ACE (Allowance for Corporate Equity), in an amount not exceeding 2% of the value of the assets of the smaller combining entity, net of related commission; ii) the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs.

¹⁰ See previous note. Additionally, this ratio will be equal to 13.9%, if it is calculated also i) by factoring the full upside resulting specifically from the conversion into tax credits of DTAs for tax losses and ACE (Allowance for Corporate Equity), ii) the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs, as described in note 9.

¹¹ See previous note. Additionally, this ratio will be equal to 17.3%, if it is calculated also i) by factoring the full upside resulting specifically from the conversion into tax credits of DTAs for tax losses and ACE (Allowance for Corporate Equity), ii) the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs, as described in note 9.

¹² See previous note. Additionally, this ratio will be equal to 13.2%, if it is calculated also i) by factoring the full upside resulting specifically from the conversion into tax credits of DTAs for tax losses and ACE (Allowance for Corporate Equity), ii) the economic upside from the disposal of the bad loans and UTP recovery platform and the concurrent release of UTP-related RWAs, as described in note 9.

¹³ The NSFR, not yet available, is in any case estimated to exceed 100% (131.5% as at 30 September 2022).

Balance sheet of the Parent Company as at 31 December 2022

(in thousands)				
Assets	31.12.2022	31.12.2021	Change	% Change
10. Cash and cash equivalents	14,279,707	1,338,507	12,941,200	966.84
20. Financial assets measured at fair value through profit or loss	1,262,885	956,911	305,974	31.98
a) financial assets held for trading	737,978	346,279	391,699	113.12
b) financial assets designated at fair value	2,381	125,098	(122,717)	-98.10
c) other financial assets mandatorily measured at fair value	522,526	485,534	36,992	7.62
30. Financial assets measured at fair value through other comprehensive income	7,727,554	6,424,261	1,303,293	20.29
40. Financial assets measured at amortised cost	106,115,203	112,582,971	(6,467,768)	-5.74
a) loans to banks	12,707,409	30,015,877	(17,308,468)	-57.66
b) loans to customers	93,407,794	82,567,094	10,840,700	13.13
50. Hedging derivatives	1,808,028	178,108	1,629,920	915.13
70. Equity investments	2,174,728	2,006,574	168,154	8.38
80. Property, plant and equipment	1,882,311	1,356,461	525,850	38.77
90. Intangible assets	349,522	239,546	109,976	45.91
of which:				
- goodwill	-	-	-	n.s.
100. Tax assets	2,624,103	1,473,022	1,151,081	78.14
a) current	550,443	387,988	162,455	41.87
b) deferred	2,073,660	1,085,034	988,626	91.11
110. Non-current assets and disposal groups classified as held for sale	940,313	4,898	935,415	--
120. Other assets	3,714,215	880,466	2,833,749	321.85
Total assets	142,878,569	127,441,725	15,436,844	12.11

(in thousands)				
Liabilities and shareholders' equity	31.12.2022	31.12.2021	Change	% Change
10. Financial liabilities measured at amortised cost	128,217,775	117,296,407	10,921,368	9.31
a) due to banks	26,792,583	28,355,383	(1,562,800)	-5.51
b) due to customers	94,718,824	84,129,452	10,589,372	12.59
c) debt securities issued	6,706,368	4,811,572	1,894,796	39.38
20. Financial liabilities held for trading	500,555	132,079	368,476	278.98
30. Financial liabilities designated at fair value	782,912	-	782,912	n.s.
40. Hedging derivatives	498,563	241,370	257,193	106.56
50. Change in value of macro-hedged financial liabilities (+/-)	(281,292)	-	(281,292)	n.s.
60. Tax liabilities	39,326	37,811	1,515	4.01
a) current	-	1,955	(1,955)	-100.00
b) deferred	39,326	35,856	3,470	9.68
70. Liabilities associated with assets classified as held for sale	1,218,693	-	1,218,693	n.s.
80. Other liabilities	3,139,103	2,475,348	663,755	26.81
90. Employee termination indemnities	152,929	174,110	(21,181)	-12.17
100. Provisions for risks and charges	1,101,532	671,817	429,715	63.96
a) commitments and guarantees granted	132,148	81,381	50,767	62.38
b) pension and similar obligations	115,166	139,744	(24,578)	-17.59
c) other provisions for risks and charges	854,218	450,692	403,526	89.53
110. Valuation reserves	(136,557)	(11,327)	(125,230)	--
130. Equity instruments	150,000	150,000	-	-
140. Reserves	2,865,230	2,375,590	489,640	20.61
150. Share premium reserve	1,237,276	1,240,428	(3,152)	-0.25
160. Share capital	2,104,316	2,100,435	3,881	0.18
170. Treasury shares (-)	(5,672)	(9,546)	3,874	-40.58
180. Profit (Loss) for the year (+/-)	1,293,880	567,203	726,677	128.12
Total liabilities and shareholders' equity	142,878,569	127,441,725	15,436,844	12.11

Income statement of the Parent Company as at 31 December 2022

		(in thousands)			
Captions	31.12.2022	31.12.2021	Change	% Change	
10.	Interest and similar income	1,855,697	1,425,207	430,490	30.21
	of which: interest income calculated using the effective interest method	1,787,120	1,415,691	371,429	26.24
20.	Interest and similar expense	(446,640)	(257,918)	(188,722)	73.17
30.	Net interest income	1,409,057	1,167,289	241,768	20.71
40.	Commission income	1,650,684	1,352,548	298,136	22.04
50.	Commission expense	(116,741)	(92,625)	(24,116)	26.04
60.	Net commission income	1,533,943	1,259,923	274,020	21.75
70.	Dividends and similar income	56,612	60,201	(3,589)	-5.96
80.	Net income from trading activities	75,539	65,619	9,920	15.12
90.	Net income from hedging activities	(1,285)	(2,255)	970	-43.02
100.	Gains (Losses) on disposal or repurchase of:	72,154	81,372	(9,218)	-11.33
	a) financial assets measured at amortised cost	62,139	66,441	(4,302)	-6.47
	b) financial assets measured at fair value through other comprehensive income	3,182	15,398	(12,216)	-79.33
	c) financial liabilities	6,833	(467)	7,300	--
110.	Net income on financial assets and liabilities measured at fair value through profit or loss	18,838	29,423	(10,585)	-35.98
	a) financial assets and liabilities designated at fair value	61,592	1,576	60,016	--
	b) other financial assets mandatorily measured at fair value	(42,754)	27,847	(70,601)	-253.53
120.	Net interest and other banking income	3,164,858	2,661,572	503,286	18.91
130.	Net impairment losses for credit risk relating to:	(455,925)	(641,890)	185,965	-28.97
	a) financial assets measured at amortised cost	(455,507)	(643,997)	188,490	-29.27
	b) financial assets measured at fair value through other comprehensive income	(418)	2,107	(2,525)	-119.84
140.	Gains (Losses) from contractual modifications without derecognition	(29)	(2,162)	2,133	-98.66
150.	Net income from financial activities	2,708,904	2,017,520	691,384	34.27
160.	Administrative expenses:	(2,655,739)	(2,131,470)	(524,269)	24.60
	a) staff costs	(1,435,212)	(1,258,751)	(176,461)	14.02
	b) other administrative expenses	(1,220,527)	(872,719)	(347,808)	39.85
170.	Net provisions for risks and charges	(111,572)	(52,469)	(59,103)	112.64
	a) commitments and guarantees granted	(36,236)	(14,638)	(21,598)	147.55
	b) other net provisions	(75,336)	(37,831)	(37,505)	99.14
180.	Net adjustments to property, plant and equipment	(131,586)	(147,776)	16,190	-10.96
190.	Net adjustments to intangible assets	(73,290)	(106,275)	32,985	-31.04
200.	Other operating expense/income	520,111	243,546	276,565	113.56
210.	Operating costs	(2,452,076)	(2,194,444)	(257,632)	11.74
220.	Gains (Losses) of equity investments	(28,066)	(5,004)	(23,062)	460.87
230.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	(20,012)	(24,370)	4,358	-17.88
240.	Impairment losses on goodwill	-	(230,366)	230,366	-100.00
245.	Gain on a bargain purchase	833,085	1,127,847	(294,762)	-26.13
250.	Gains (Losses) on disposal of investments	2,676	533	2,143	402.06
260.	Profit (Loss) from current operations before tax	1,044,511	691,716	352,795	51.00
270.	Income taxes on current operations for the year	249,369	(124,513)	373,882	-300.28
280.	Profit (Loss) from current operations after tax	1,293,880	567,203	726,677	128.12
300.	Profit (Loss) for the year	1,293,880	567,203	726,677	128.12