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PRESS RELEASE

CONSOLIDATED RESULTS AS AT 31 March 2023

- **CONSOLIDATED NET PROFIT FOR THE PERIOD OF € 290.7 MLN**
- **CORE REVENUES[1] OF € 1,232.1 MLN, +13.1% ON 4Q22 AND +49.0% ON 1Q22**
- **SHARP GROWTH IN NET INTEREST INCOME TO € 726 MLN WITH RESILIENT NET COMMISSION INCOME OF € 506.1 MLN**
- **IMPROVED OPERATIONAL EFFICIENCY, COST INCOME RATIO[2] OF 51.3%, DOWN FROM 63.2% IN MARCH 2022 AND 65.5% FOR THE FULL YEAR 2022**
- **CREDIT QUALITY CONFIRMED, WITH PRO-FORMA NPE RATIO[3] OF 2.9% GROSS AND 1.2% NET (VS. 3.2% AND 1.4% AT END-2022)**
- **TOTAL NPE COVERAGE INCREASED TO 60.9% VS. 57.1% AT END-2022**
- **SOUND CAPITAL POSITION WITH PRO-FORMA FULLY PHASED CET1 RATIO[4] OF 13.3% WELL ABOVE SREP REQUIREMENT (8.5%)**
- **HIGH LIQUIDITY POSITION WITH LCR AT 206% (195% AT END-2022) AND NSFR OF 126% (127% AT END-2022)**

Modena – 9 May 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 March 2023.

Chief Executive Officer Piero Luigi Montani commented: *"In the first quarter of the year, the macroeconomic scenario was characterised by a slight recovery of economic activity, albeit with inflation remaining high. In this context, the Bank has achieved excellent results, primarily on the back of a steep acceleration in net interest income and good resilience of net commissions. Reflective of first-rate performance, operating income (€ 1,318 million) was up 49.2% on the first quarter of 2022. This trend resulted in a net operating income of € 643 million, up 97.5% as compared to the first quarter of last year. The Bank’s first quarter results reflect a strong growth in profitability, with net profit for the period amounting to € 290.7 million, after payment of € 69.5 million in contributions to the Single Resolution Fund.*
Credit risk indicators are confirmed at very low levels. The improvement achieved in credit quality in 2022 continued in the first quarter of the year, with the pro-forma gross NPE ratio[5] settling at 2.9% (1.2% net), down from end-2022, and non-performing loan coverage rising to 60.9%, which sees us positioned as best in class in the Italian banking

industry. The positive trend in the Bank's derisking process continues, with an additional UTP disposal planned for an overall gross claimed amount of over € 400 million to be completed by the approval date of the first half results of 2023, thus allowing for a further reduction of non-performing loans.
The Bank' financial strength remains high, with a pro-forma fully phased CET1 ratio[6] of 13.3%, well above the 8.5% current minimum SREP requirement. The same applies to the Bank's liquidity position, with regulatory ratios being broadly in excess of the minimum thresholds required.
On the path to creating a more sustainable, fair and inclusive society, the Bank continues to strengthen its leadership in the management of ESG issues. In keeping with the delivery plan of the ESG Infusion programme, the Bank is working on the ongoing projects in alignment with the challenging objectives of the Business Plan in the aim to reduce environmental impacts, support customers in the ecological transition, with a focus on inclusion and the management of diversity.
Today's market environment of continuing geopolitical uncertainty and persistently high inflation presents us with new challenges, which the Bank will be able to effectively rise up to, thanks to the progress it has made in revenue generation, its sound capital and liquidity position and robust credit quality. Aware of the uncertainties of a complex macroeconomic environment, we face the rest of the year with confidence, firm in the belief that we will be able to consolidate the profitability levels achieved so far to the benefit of all stakeholders, ahead of the growth trajectory we charted last year in our 2022-2025 Business Plan".

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Consolidated income statement: key figures

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

Net interest income amounted to € 726.0 mln, up 92.9% on 1Q22, particularly as a result of a stronger input from the branch network, interest rates tailwinds and the contribution from the securities portfolio.

Net commission income totalled € 506,1 mln, up 12.3% on the same period of last year, particularly reflective of the positive trend in bancassurance (+18.3% y/y); likewise strong was the input from fees and commissions on indirect funding (+4.9% y/y) and traditional banking (+15.6% y/y).

Dividends amounted to € 2.2 mln (as compared to € 0.3 mln in the same period of the previous year and € 2.9 mln in 4Q22). **Net income from financial activities** amounted to a positive € 50.9 mln as compared to € 58.9 mln in 1Q22 (€ 23.0 mln in 4Q22).

Operating income totalled € 1,318.4 mln, up 49.2% with respect to 1Q22, driven by increased core revenues (net interest income and net commission income), amounting to € 1,232.1 mln (+49.0% y/y).

Operating costs amounted to € 675.8 mln as against € 558.4 mln for the same period last year. More specifically:

- **staff costs** totalled € 423.2 mln, on an uptrend compared to € 352.2 mln in 1Q22, mainly due to the onboarding of new resources after the acquisition of the Carige Group. The aggregate is down 30.6% on 4Q22 (€ 609.8 mln), partly as a result of the one-off costs recognised in the previous quarter primarily in connection with the workforce optimisation effort aimed at promoting generational turnover;

- **other administrative expenses** amounted to € 195.4 mln as against € 160.7 mln in 1Q22, particularly as a result of the change of scope due to the acquisition of the Carige Group;

- **net adjustments to property, plant, equipment and intangible assets** amounted to € 57.2 mln vs. € 45.6 mln in 1Q22.

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The **cost/income ratio**[7] for the quarter was 51.3%, lower than 63.2% in the first quarter of 2022 and 65.5% for the full year 2022.

The annualised **cost of credit** settled at 63 bps, in line with the cost of 64 bps for 2022 (59 bps[8] excluding non-recurring provisions).

The **contributions to banking system funds** relate to regular payments for an amount of € 69.5 mln to the Single Resolution Fund (SRF) for 2023. 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.

Income taxes amounted to € 88.2 mln.

The **profit for the period pertaining to the Parent Company** therefore amounted to € 290.7 mln.

Consolidated balance sheet: key figures

(The balance sheet accounts as at 30/06/2022 include Carige Group figures line by line, as the Carige Group was included in the Group’s scope of consolidation on 3 June 2022. Moreover, two separate business units consisting of 8 bank branches owned by Banco di Sardegna and 40 branches owned by BPER Banca, stemming from the merger by absorption of Banca Carige and Banca del Monte di Lucca, were transferred to Banco di Desio e della Brianza s.p.a. on 20 February 2023. The volumes of these branches had already been classified as assets and liabilities held for disposal. Unless otherwise specified, percentage changes refer to figures being compared with data as at 31/12/22).

Direct deposits from customers[9] increased to € 113.5 bn (+14.2% y/y). Among the main drivers, which partially offset the decline in current accounts q/q, were the good performance of term deposits, bonds and certificates; the performance of repos with institutional counterparties was positive.

Indirect deposits from customers rose to € 167.5 bn (+2.6% q/q), with the growth being contributed to by both **assets under management**, totalling € 62.1 bn (+2.5%) and **assets under custody**, amounting to € 81.6 bn (+4.2%), which intercepted the reinvestment of direct funding. The **portfolio of life insurance premiums underwritten** amounted to € 23.8 bn (+22.4% y/y).

Gross loans to customers in the quarter amounted to € 91.9 bn (€ 89.4 bn net), down 1.8%. As part of the aggregate, performing loans amounted to € 88.9 bn and non-performing loans totalled € 3.0 bn.

The conservative approach to non-performing loan management and the derisking actions underway and in the pipeline have enabled the Group to achieve sound asset quality ratios: the share of gross non-performing loans to total gross loans (**pro-forma gross NPE ratio**[10]) is 2.9%, down on end-2022 (3,2%), whereas the share of net non-performing loans to total net loans (**pro-forma net NPE ratio**[11]) is 1.2%, down on end-2022 (1.4%).

The coverage ratio for total non-performing loans rose to 60.9% from 57.1% at the end of 2022, performing loan coverage settled at 0.75% and Stage 2 loan coverage was 4.45%, up slightly end-2022.

As regards the breakdown of gross non-performing loans, **gross bad loans** amounted to € 1.0 bn, up 2.9% (€ 0.2 bn net; -12.2%); **gross unlikely-to-pay (UTP) exposures** settled at € 1.9 bn in line with the level as at the end of 2022 (€ 0.9 bn net; -8.4%); **gross past due exposures** amounted to € 161.3 mln (€ 112.0 mln net; +3.1%). The default rate remains very low (1.0%).

Total shareholders’ equity amounts to € 8,447 mln, with minority interests accounting for € 188.1 mln. **Group consolidated shareholders’ equity**, including net profit for the period, amounts to € 8,259 mln.

As regard the **liquidity position**, the Liquidity Coverage Ratio (LCR) as at 31 March 2023 is 206.3%, while the Net Stable Funding Ratio (NSFR) is 126.5%.

Group structure highlights as at 31 March 2023

The BPER Banca Group is present in twenty regions of Italy with a network of 1,759 bank branches, in addition to the Luxembourg head office of BPER Bank Luxembourg S.A..

Group employees total 20,557 as compared to a headcount of 21,059 at year-end 2022.

Capital Ratios

Reported below are the pro-forma capital ratios as at 31 March 2023:

- pro-forma Fully Phased Common Equity Tier 1 (CET1) ratio[12] of 13.3% (12.0% as at 31 December 2022).
- pro-forma Fully Phased Tier 1 ratio[13] of 13.6% (12.3% as at 31 December 2022);
- pro-forma Fully Phased Total Capital ratio[14] of 16.9% (15.6% as at 31 December 2022).

Outlook for operations

Economic activity in the euro area started to grow again, although slightly, at the start of the year, despite a first slowdown in loans to businesses. The most recent economic indicators show that gross domestic product has improved, albeit weakly. With reference to the Italian economic situation, the end of last year saw the economic expansion phase come to a halt, mainly due to the contraction in household spending. The last quarter of 2022[15] was characterised by a slightly declining GDP (-0.4%). According to the Bank of Italy's models, economic activity increased slightly in Italy against a backdrop of persistently high inflation in the first quarter of 2023, driven by the manufacturing sector, which benefited from energy prices falling and supply chain bottlenecks easing.

In this scenario, the Bank’s profitability will continue to be underpinned in particular by net interest income, the resilience of net commissions, actions to offset the impact of inflationary dynamics on costs, and the growth in revenues that will still benefit from interest rate trends.

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With reference to the regulatory provisions that were introduced with the amendment to the Consolidated Law on Finance (Legislative Decree no. 25 of 15 February 2016), implementing European Directive 2013/50/EU (Transparency II) and subsequent CONSOB Resolution no. 19770 of 26 October 2016, BPER Banca voluntarily decided, as it did in the past, to publish the Group's consolidated interim report on operations as at 31 March and 30 September of each year.

The document will soon 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 system (www.1info.it).

As a complement to the information provided in this press release, attached please find the consolidated Balance Sheet and Income Statement (quarterly breakdown and reclassified) as at 31 March 2023, in addition to a summary of key financial indicators.

Modena, 09/05/2023

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, 09/05/2023

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

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A conference call to illustrate the consolidated results of the BPER Banca Group as at 31 March 2023 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, shortly before the start of the conference call.

Contacts:

Investor Relations
investor.relations@bper.it

The Manager responsible for preparing the Company's financial reports
reporting.supervision@bper.it

External Relations
relest@bper.it

www.bper.it – istituzionale.bper.it

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

Notes

[1] Net interest income plus net commission income.
[2] The cost income ratio is calculated on the basis of the layout of the reclassified income statement (operating costs/operating income); when calculated on the basis of the schedules provided by the 8th update of Bank of Italy Circular no. 262, the Cost income ratio is 59.85% as at 31 March 2023, 73.17% in 2022 and 69.82% as at 31 March 2022.
[3] The aggregate includes the sale transaction of a portfolio of UTP exposures of BPER Banca and its subsidiary Banco di Sardegna, for a total claimed amount of approximately € 470 mln. Following the accounting deconsolidation of the UTP portfolio, the BPER Group's pro-forma gross NPE ratio is estimated at approximately 2.9% (net NPE ratio 1.2%) with respect to figures as at 31 March 2023. Excluding this transaction, the Gross NPE Ratio for the period is 3.3% (Net NPE ratio: 1.3%).
[4] The pro-forma capital ratios were calculated by including profit for the period for the portion not allocated to dividends, thus 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] See Note 3.
[6] See Note 4.
[7] See Note 2.
[8] The cost of risk is calculated by considering item 130 a) "Impairment losses to 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 item 130 a) "Impairment losses to financial assets at amortised cost – other financial assets".
[9] Includes due to customers, debt securities in issue and financial liabilities measured at fair value.
[10] See Note 3.
[11] See Note 3.
[12] See Note 4.
[13] See Note 4.
[14] See Note 4.
[15] Bank of Italy, Economic Bulletin no. 2, 7 April 2023.

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Reclassified financial statements as at 31 March 2023

For greater clarity in the presentation of the results for the period, the accounting schedules envisaged by the 8th update of Bank of Italy Circular no. 262/2005 have been reclassified as follows.
In the balance sheet:

- debt securities measured at amortised cost (under caption 40 *"Financial assets measured at amortised cost"*) have been reclassified to the caption *"Financial assets"*;
- loans mandatorily measured at fair value (under caption 20 c) *"Financial assets measured at fair value through profit or loss - other financial assets mandatorily measured at fair value"*) have been reclassified to the caption *"Loans"*;
- 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 9.1 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 67.4 million at 31 March 2023 ed Euro 58.9 million al 31 March 2022);
- 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 *"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 March 2023, this caption represents the component allocated for accounting purposes to administrative expenses in relation to the 2023 contribution to the SRF (European Single Resolution Fund) estimated for Euro 69.5 million.

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Reclassified consolidated balance sheet as at 31 March 2023

(in thousands)

Assets	31.03.2023	31.12.2022	Change	% Change
Cash and cash equivalents	16,108,463	13,997,441	2,111,022	15.08
Financial assets	30,737,095	30,665,767	71,328	0.23
a) Financial assets held for trading	715,914	707,498	8,416	1.19
b) Financial assets designated at fair value	2,391	2,381	10	0.42
c) Other financial assets mandatorily measured at fair value	759,110	742,099	17,011	2.29
d) Financial assets measured at fair value through other comprehensive income	7,646,253	7,962,910	(316,657)	-3.98
e) Debt securities measured at amortised cost	21,613,427	21,250,879	362,548	1.71
- banks	6,788,487	6,596,865	191,622	2.90
- customers	14,824,940	14,654,014	170,926	1.17
Loans	91,903,326	94,193,207	(2,289,881)	-2.43
a) Loans to banks	2,348,510	2,885,583	(537,073)	-18.61
b) Loans to customers	89,400,944	91,174,835	(1,773,891)	-1.95
c) Financial assets measured at fair value	153,872	132,789	21,083	15.88
Hedging derivatives	1,688,263	1,808,515	(120,252)	-6.65
Equity investments	389,785	376,158	13,627	3.62
Property, plant and equipment	2,504,243	2,546,295	(42,052)	-1.65
Intangible assets	559,551	563,502	(3,951)	-0.70
- of which: goodwill	204,392	204,392	-	-
Other assets	7,248,476	8,151,909	(903,433)	-11.08
Total assets	**151,139,202**	**152,302,794**	**(1,163,592)**	**-0.76**

(in thousands)

Liabilities and shareholders' equity	31.03.2023	31.12.2022	Change	% Change
Due to banks	22,329,839	22,000,489	329,350	1.50
Direct deposits	113,481,077	114,831,032	(1,349,955)	-1.18
a) Due to customers	104,959,275	107,414,943	(2,455,668)	-2.29
b) Debt securities issued	7,244,714	6,536,891	707,823	10.83
c) Financial liabilities designated at fair value	1,277,088	879,198	397,890	45.26
Financial liabilities held for trading	436,310	471,598	(35,288)	-7.48
Macro-hedging activity	132,283	231,689	(99,406)	-42.90
a) Hedging derivatives	387,334	512,981	(125,647)	-24.49
b) Change in value of macro-hedged financial liabilities (+/-)	(255,051)	(281,292)	26,241	-9.33
Other liabilities	6,312,589	6,647,457	(334,868)	-5.04
Minority interests	188,074	180,356	7,718	4.28
Shareholders' equity pertaining to the Parent Company	8,259,030	7,940,173	318,857	4.02
a) Valuation reserves	86,088	60,681	25,407	41.87
b) Reserves	4,396,187	2,944,603	1,451,584	49.30
c) Equity instruments	150,000	150,000	-	-
d) Share premium reserve	1,237,200	1,237,276	(76)	-0.01
e) Share capital	2,104,316	2,104,316	-	-
f) Treasury shares	(5,436)	(5,678)	242	-4.26
g) Profit (Loss) for the period	290,675	1,448,975	(1,158,300)	-79.94
Total liabilities and shareholders' equity	**151,139,202**	**152,302,794**	**(1,163,592)**	**-0.76**

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Reclassified consolidated income statement as at 31 March 2023

(in thousands)

Captions		31.03.2023	31.03.2022	Change	% Change
10+20	Net interest income	725,989	376,429	349,560	92.86
40+50	Net commission income	506,098	450,559	55,539	12.33
70	Dividends	2,223	286	1,937	677.27
80+90+100 +110	Net income from financial activities	50,882	58,939	(8,057)	-13.67
230	Other operating expense/income	33,220	(2,470)	35,690	--
	Operating income	**1,318,412**	**883,743**	**434,669**	**49.19**
190 a)	Staff costs	(423,227)	(352,154)	(71,073)	20.18
190 b)	Other administrative expenses	(195,402)	(160,690)	(34,712)	21.60
210+220	Net adjustments to property, plant and equipment and intangible assets	(57,161)	(45,584)	(11,577)	25.40
	Operating costs	**(675,790)**	**(558,428)**	**(117,362)**	**21.02**
	Net operating income	**642,622**	**325,315**	**317,307**	**97.54**
130 a)	Net impairment losses to financial assets at amortised cost	(142,411)	(111,925)	(30,486)	27.24
	- loans to customers	*(141,199)*	*(96,109)*	*(45,090)*	*46.92*
	- other financial assets	*(1,212)*	*(15,816)*	*14,604*	*-92.34*
130 b)	Net impairment losses to financial assets at fair value	(31)	(16)	(15)	93.75
140	Gains (Losses) from contractual modifications without derecognition	1,905	(1,225)	3,130	-255.51
	Net impairment losses for credit risk	**(140,537)**	**(113,166)**	**(27,371)**	**24.19**
200	Net provisions for risks and charges	(57,088)	(12,200)	(44,888)	367.93
###	Contributions to SRF, DGS, IDPF - VS	(69,530)	(45,666)	(23,864)	52.26
250+260 +270+280	Gains (Losses) on investments	12,124	4,026	8,098	201.14
290	**Profit (Loss) from current operations before tax**	**387,591**	**158,309**	**229,282**	**144.83**
300	Income taxes on current operations for the period	(88,249)	(39,579)	(48,670)	122.97
330	**Profit (Loss) for the period**	**299,342**	**118,730**	**180,612**	**152.12**
340	Profit (Loss) for the period pertaining to minority interests	(8,667)	(6,058)	(2,609)	43.07
350	**Profit (Loss) for the period pertaining to the Parent Company**	**290,675**	**112,672**	**178,003**	**157.98**

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Reclassified consolidated income statement by quarter as at 31 March 2023

(in thousands)

Captions		1st quarter 2023	1st quarter 2022	2nd quarter 2022	3rd quarter 2022	4th quarter 2022
10+20	Net interest income	725,989	376,429	409,020	474,981	565,463
40+50	Net commission income	506,098	450,559	463,410	504,045	524,066
70	Dividends	2,223	286	15,597	3,309	2,932
80+90+ 100+110	Net income from financial activities	50,882	58,939	25,457	32,351	22,975
230	Other operating expense/income	33,220	(2,470)	(10,276)	12,417	328,861
	Operating income	**1,318,412**	**883,743**	**903,208**	**1,027,103**	**1,444,297**
190 a)	Staff costs	(423,227)	(352,154)	(359,388)	(360,943)	(609,801)
190 b)	Other administrative expenses	(195,402)	(160,690)	(181,965)	(232,641)	(302,512)
210+220	Net adjustments to property, plant and equipment and intangible assets	(57,161)	(45,584)	(48,498)	(60,664)	(72,926)
	Operating costs	**(675,790)**	**(558,428)**	**(589,851)**	**(654,248)**	**(985,239)**
	Net operating income	**642,622**	**325,315**	**313,357**	**372,855**	**459,058**
130 a)	Net impairment losses to financial assets at amortised cost	(142,411)	(111,925)	(103,692)	(118,982)	(271,460)
	- loans to customers	*(141,199)*	*(96,109)*	*(97,604)*	*(115,171)*	*(273,931)*
	- other financial assets	*(1,212)*	*(15,816)*	*(6,088)*	*(3,811)*	*2,471*
130 b)	Net impairment losses to financial assets at fair value	(31)	(16)	(230)	-	(196)
140	Gains (Losses) from contractual modifications without derecognition	1,905	(1,225)	27	573	486
	Net impairment losses for credit risk	**(140,537)**	**(113,166)**	**(103,895)**	**(118,409)**	**(271,170)**
200	Net provisions for risks and charges	(57,088)	(12,200)	(28,839)	(11,785)	(79,432)
###	Contributions to SRF, DGS, IDPF - VS	(69,530)	(45,666)	(55)	(123,280)	(3,422)
250+260 +270+280	Gains (Losses) on investments	12,124	4,026	2,988	6,337	(21,096)
275	Gain on a bargain purchase	-	-	1,188,433	(17,111)	(223,199)
290	**Profit (Loss) from current operations before tax**	**387,591**	**158,309**	**1,371,989**	**108,607**	**(139,261)**
300	Income taxes on current operations for the period	(88,249)	(39,579)	(95,745)	(22,046)	131,606
330	**Profit (Loss) for the period**	**299,342**	**118,730**	**1,276,244**	**86,561**	**(7,655)**
340	Profit (Loss) for the period pertaining to minority interests	(8,667)	(6,058)	(4,108)	(4,993)	(9,746)
350	**Profit (Loss) for the period pertaining to the Parent Company**	**290,675**	**112,672**	**1,272,136**	**81,568**	**(17,401)**

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Consolidated balance sheet as at 31 March 2023

(in thousands)

Assets		31.03.2023	31.12.2022	Change	% Change
10.	Cash and cash equivalents	16,108,463	13,997,441	2,111,022	15.08
20.	Financial assets measured at fair value through profit or loss	1,631,287	1,584,767	46,520	2.94
	a) financial assets held for trading	715,914	707,498	8,416	1.19
	b) financial assets designated at fair value	2,391	2,381	10	0.42
	c) other financial assets mandatorily measured at fair value	912,982	874,888	38,094	4.35
30.	Financial assets measured at fair value through other comprehensive income	7,646,253	7,962,910	(316,657)	-3.98
40.	Financial assets measured at amortised cost	113,362,881	115,311,297	(1,948,416)	-1.69
	a) loans to banks	9,136,997	9,482,448	(345,451)	-3.64
	b) loans to customers	104,225,884	105,828,849	(1,602,965)	-1.51
50.	Hedging derivatives	1,688,263	1,808,515	(120,252)	-6.65
70.	Equity investments	389,785	376,158	13,627	3.62
90.	Property, plant and equipment	2,504,243	2,546,295	(42,052)	-1.65
100.	Intangible assets	559,551	563,502	(3,951)	-0.70
	of which:				
	- goodwill	204,392	204,392	-	-
110.	Tax assets	2,878,301	2,931,538	(53,237)	-1.82
	a) current	956,254	579,149	377,105	65.11
	b) deferred	1,922,047	2,352,389	(430,342)	-18.29
120.	Non-current assets and disposal groups classified as held for sale	22,332	1,192,429	(1,170,097)	-98.13
130.	Other assets	4,347,843	4,027,942	319,901	7.94
	Total assets	**151,139,202**	**152,302,794**	**(1,163,592)**	**-0.76**

(in thousands)

	Liabilities and shareholders' equity	31.03.2023	31.12.2022	Change	% Change
10.	Financial liabilities measured at amortised cost	134,533,828	135,952,323	(1,418,495)	-1.04
	a) due to banks	22,329,839	22,000,489	329,350	1.50
	b) due to customers	104,959,275	107,414,943	(2,455,668)	-2.29
	c) debt securities issued	7,244,714	6,536,891	707,823	10.83
20.	Financial liabilities held for trading	436,310	471,598	(35,288)	-7.48
30.	Financial liabilities designated at fair value	1,277,088	879,198	397,890	45.26
40.	Hedging derivatives	387,334	512,981	(125,647)	-24.49
50.	Change in value of macro-hedged financial liabilities (+/-)	(255,051)	(281,292)	26,241	-9.33
60.	Tax liabilities	71,291	71,562	(271)	-0.38
	a) current	12,984	8,174	4,810	58.85
	b) deferred	58,307	63,388	(5,081)	-8.02
70.	Liabilities associated with assets classified as held for sale	-	1,430,197	(1,430,197)	-100.00
80.	Other liabilities	4,806,400	3,679,162	1,127,238	30.64
90.	Employee termination indemnities	168,318	177,224	(8,906)	-5.03
100.	Provisions for risks and charges	1,266,580	1,289,312	(22,732)	-1.76
	a) commitments and guarantees granted	156,513	154,497	2,016	1.30
	b) pension and similar obligations	116,663	115,987	676	0.58
	c) other provisions for risks and charges	993,404	1,018,828	(25,424)	-2.50
120.	Valuation reserves	86,088	60,681	25,407	41.87
140.	Equity instruments	150,000	150,000	-	-
150.	Reserves	4,396,187	2,944,603	1,451,584	49.30
160.	Share premium reserve	1,237,200	1,237,276	(76)	-0.01
170.	Share capital	2,104,316	2,104,316	-	-
180.	Treasury shares (-)	(5,436)	(5,678)	242	-4.26
190.	Minority interests (+/-)	188,074	180,356	7,718	4.28
200.	Profit (Loss) for the period (+/-)	290,675	1,448,975	(1,158,300)	-79.94
	Total liabilities and shareholders' equity	**151,139,202**	**152,302,794**	**(1,163,592)**	**-0.76**

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Consolidated income statement as at 31 March 2023

(in thousands)

	Captions	31.03.2023	31.03.2022	Change	% Change
10.	Interest and similar income	1,052,754	438,844	613,910	139.89
	of which: interest income calculated using the effective interest method	1,013,938	435,623	578,315	132.76
20.	Interest and similar expense	(326,765)	(62,415)	(264,350)	423.54
30.	**Net interest income**	**725,989**	**376,429**	**349,560**	**92.86**
40.	Commission income	540,186	493,696	46,490	9.42
50.	Commission expense	(43,197)	(52,590)	9,393	-17.86
60.	**Net commission income**	**496,989**	**441,106**	**55,883**	**12.67**
70.	Dividends and similar income	2,223	286	1,937	677.27
80.	Net income from trading activities	46,141	44,266	1,875	4.24
90.	Net income from hedging activities	(2,542)	(927)	(1,615)	174.22
100.	Gains (Losses) on disposal or repurchase of:	26,928	5,596	21,332	381.20
	a) financial assets measured at amortised cost	15,299	3,632	11,667	321.23
	b) financial assets measured at fair value through other comprehensive income	11,629	1,764	9,865	559.24
	c) financial liabilities	-	200	(200)	-100.00
110.	Net income on other financial assets and liabilities measured at fair value through profit or loss	(10,536)	19,457	(29,993)	-154.15
	a) financial assets and liabilities designated at fair value	(29,276)	29,965	(59,241)	-197.70
	b) other financial assets mandatorily measured at fair value	18,740	(10,508)	29,248	-278.34
120.	**Net interest and other banking income**	**1,285,192**	**886,213**	**398,979**	**45.02**
130.	Net impairment losses for credit risk relating to:	(142,442)	(111,941)	(30,501)	27.25
	a) financial assets measured at amortised cost	(142,411)	(111,925)	(30,486)	27.24
	b) financial assets measured at fair value through other comprehensive income	(31)	(16)	(15)	93.75
140.	Gains (Losses) from contractual modifications without derecognition	1,905	(1,225)	3,130	-255.51
150.	**Net income from financial activities**	**1,144,655**	**773,047**	**371,608**	**48.07**
180.	**Net income from financial and insurance activities**	**1,144,655**	**773,047**	**371,608**	**48.07**
190.	Administrative expenses:	(755,539)	(617,416)	(138,123)	22.37
	a) staff costs	(423,227)	(352,154)	(71,073)	20.18
	b) other administrative expenses	(332,312)	(265,262)	(67,050)	25.28
200.	Net provisions for risks and charges	(57,088)	(12,200)	(44,888)	367.93
	a) commitments and guarantees granted	(2,566)	(2,582)	16	-0.62
	b) other net provisions	(54,522)	(9,618)	(44,904)	466.87
210.	Net adjustments to property, plant and equipment	(39,542)	(32,390)	(7,152)	22.08
220.	Net adjustments to intangible assets	(17,619)	(13,194)	(4,425)	33.54
230.	Other operating expense/income	100,600	56,436	44,164	78.26
240.	**Operating costs**	**(769,188)**	**(618,764)**	**(150,424)**	**24.31**
250.	Gains (Losses) of equity investments	11,447	3,859	7,588	196.63
260.	Valuation differences on property, plant and equipment and intangible assets measured at fair value	685	393	292	74.30
280.	Gains (Losses) on disposal of investments	(8)	(226)	218	-96.46
290.	**Profit (Loss) from current operations before tax**	**387,591**	**158,309**	**229,282**	**144.83**
300.	Income taxes on current operations for the period	(88,249)	(39,579)	(48,670)	122.97
310.	**Profit (Loss) from current operations after tax**	**299,342**	**118,730**	**180,612**	**152.12**
330.	**Profit (Loss) for the period**	**299,342**	**118,730**	**180,612**	**152.12**
340.	Profit (Loss) for the period pertaining to minority interests	(8,667)	(6,058)	(2,609)	43.07
350.	**Profit (Loss) for the period pertaining to the Parent Company**	**290,675**	**112,672**	**178,003**	**157.98**

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Performance ratios[1]

Financial ratios	31.03.2023	2022 (*)
Structural ratios		
Net loans to customers/total assets	59.15%	59.86%
Net loans to customers/direct deposits from customers	78.78%	79.40%
Financial assets/total assets	20.34%	20.13%
Gross non-performing loans/gross loans to customers	3.29%	3.20%
Net non-performing loans/net loans to customers	1.32%	1.41%
Texas ratio[2]	31.06%	32.29%
Profitability ratios		
ROE[3]	16.31%	7.94%
ROTE[4]	16.53%	8.30%
ROA[5]	0.80%	0.35%
Cost to income ratio[6]	51.26%	63.19%
Cost of credit risk[7]	0.16%	0.12%
Prudential supervision ratios	**31.03.2023**	**2022 (*)**
Own Funds (Fully Phased) (in thousands of Euro)		
Common Equity Tier 1 (CET1)	7,138,834	6,379,995
Own Funds	9,070,756	8,292,408
Risk-weighted assets (RWA)	53,518,498	52,989,278
Fully Phased capital ratios and liquidity ratios		
Common Equity Tier 1 Ratio (CET1 Ratio) - pro-forma[8]	13.34%	12.04%
Tier 1 Ratio (T1 Ratio) - pro-forma[9]	13.62%	12.32%
Total Capital Ratio (TC Ratio) - pro-forma[10]	16.95%	15.65%
Liquidity Coverage Ratio (LCR)	206.3%	195.3%
Net Stable Funding Ratio (NSFR)	126.5%	127.3%

(*) The comparative balance sheet ratios, together with ROE, ROTE and ROA, have been calculated on figures at 31 December 2022 as per the Consolidated financial statements as at 31 December 2022, while income statement ratios have been calculated on figures at 31 March 2022 as per the Consolidated interim report as at 31 March 2022.

[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 (Group and minority interests) plus impairment provisions for non-performing loans.
[3] ROE is calculated as the ratio of annualised net profit for the period to the Group's average shareholders' equity not including net profit.
[4] ROTE is calculated as the ratio of annualised net profit for the period to the Group's average shareholders' equity (i) including net profit for the period, stripped of the portion allocated to dividends then annualised and (ii) excluding intangible assets and equity instruments.
[5] ROA is calculated as the ratio of annualized net profit for the period (including net profit for the period 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 8th update of Bank of Italy Circular no. 262, the Cost to income ratio is 59.85% (69.82% at 31 March 2022 as per the Consolidated interim report as at 31 March 2022).
[7] The Cost of credit risk is calculated as net impairment losses to loans to customers on net loans to customers at 31 March.
[8] The pro-forma capital ratios have been calculated including the result for the period, 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.
[9] See previous note.
[10] See previous note.