



SPAFID
CONNECT

| | | |
|--|--|-----|
| Informazione Regolamentata n. 0856-33-2021 | Data/Ora Ricezione 11 Maggio 2021 18:47:58 | MTA |
|--|--|-----|

Societa' : BANCA GENERALI
Identificativo : 146931
Informazione
Regolamentata
Nome utilizzatore : BCAGENERALIN03 - Pastore
Tipologia : 1.2
Data/Ora Ricezione : 11 Maggio 2021 18:47:58
Data/Ora Inizio : 11 Maggio 2021 18:47:59
Diffusione presunta
Oggetto : PR: 1Q 2021 Results Banca Generali

Testo del comunicato

Vedi allegato.

**PRESS
RELEASE**

Results at 31 March 2021

Best ever quarter in the last year of the Industrial Plan

- Net profit: €135.4 million (+71%)
- Recurring net profit: €37.2 million (+13%)
- Total revenues: €239.9 million (+42%)
- Operating expenses: €56.0 million (+4%)
- CET1 ratio at 16.2% and TCR Ratio at 17.5%

Acceleration of business expansion

- Total assets: € 77.5 billion (+19%)
- Assets under Advisory: €6.6 billion¹ (+37%)
- Q1 2021 net inflows: €1.7 billion (+11%)
- YTD net inflows: €2.4 billion (+29%)²

Requirements of Directors and Statutory Auditors appointed by the General Shareholders' Meeting verified**CONTACTS:**

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

Milan, 11 May 2021 — The Board of Directors of Banca Generali approved the consolidated results at 31 March 2021.

Chief Executive Officer and General Manager Gian Maria Mossa stated: *“The year 2021 has gotten off to a strong start, with a further increase in the interest towards our business and a per-capita performance by our bankers far in excess of the sector average. As a Bank that has made the value of human capital its focal point, we are very proud of and satisfied with having achieved the best quarterly performance in our history in a scenario that remains challenging due to the tail-end of an unprecedented crisis. The quality of our professionals throughout Italy and the dedication and expertise of our HQ personnel ensure, even in an exceptional situation, a constant focus on the value of service, the search for innovation and the sustainability of our results. We are growing in*

¹ Data at 30 April 2021.² Cumulative data at 30 April 2021.

every direction, also supported by the versatility of our range of products and services and our digital ecosystem, providing highly personalised wealth protection solutions. Our growth is also increasingly drawing the attention of advisory and private banking talents. We increasingly represent the first-choice partner for clients looking for professionalism and competency but also for a relationship-oriented approach.

Having delivered these numbers at the beginning of the last year of our 2019-2021 plan is proof of the validity of the projects launched and of our Company's solidity and ability to generate value.

Despite the caution necessitated by the external context, we look to our growth trajectory in the coming months with renewed confidence."

P&L RESULTS AT 31 MARCH 2021

The Q1 results mark new highs for the Bank. All the main P&L and Balance Sheet items grew, benefiting of a versatile and high-quality business model, which best meets the market context and the customers' growing demand for planning and protection. **Total assets** reached a new high of €77.5 billion (+19% compared to the previous year), thanks to the great advisory work of the Bank's professionals and the value of the solutions offered.

Net profit rose by 71.3% to €135.4 million, marking an extraordinary start to the last of the three years of the 2019-2021 Industrial Plan. The result benefited chiefly of the favourable financial market context, as well as of the improvement of the various revenue items. The recurring component recorded a double-digit growth (+13%) to €37.2 million. The figure is even more remarkable considering that the level of capital solidity far exceeded the regulatory requirements.

In further detail, in the first quarter:

Net banking income rose to €239.9 million (+42%), thanks to the increase of net recurring fees (€104.1 million; +14.3%) and the contribution of variable fees, which reached their highest ever quarterly level, driven by the positive financial market performance. Variable fees amounted to €111 million in the quarter compared to €53.4 million for the previous year. Net financial income was €24.7 million (+1.9%), with an increased net interest income (€21.7 million) that offset the lower contribution of the proprietary trading book.

Operating costs totalled €56.0 million (+3.6%), thanks to a very thorough cost discipline.

The cost performance further strengthened the Bank's operating efficiency: the ratio of operating costs to total assets declined to 0.29% at period-end (compared to 0.30% at year-end 2020 and 0.35% for Q1 2020), whereas the **cost/income ratio**, net of non-recurring items like variable fees, further decreased to 36.6% (40.2% at year-end 2020 and 39.3% for Q1 2020).

Provisions, contributions related to banking funds and net adjustments totalled €17.3 million (+40%) compared to €12.4 million for the previous year. The change was mainly attributable to higher provisions for loyalty plans, due to the positive commercial results, and higher contributions to the Italian National Resolution and Interbank Deposit Protection Funds.

Banca Generali's capital ratios continued to be solid and far above the requirements set by the banking supervisory authorities: **CET1 ratio** was 16.2% and **Total Capital Ratio (TCR)** was 17.5%. In this regard, it is worth noting that

CONTACTS:

www.bancagenerali.com

Media Relations

Michele Seghizzi

Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations

Giuliana Pagliari

Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

1. capital ratios are calculated net of the €386.5 million cumulative dividends (€3.3 per share) approved by the General Shareholders' Meeting held on 22 April 2021. In line with the recommendations issued by the Bank of Italy and the European Central Bank, Banca Generali confirms that it will pay dividends after 1 October 2021, subject to prior verification of the satisfaction of specific requirements³;
2. capital ratios also take into account the full allocation of Q1 earnings to dividend, in line with the dividend policy submitted to and approved with the 2019-2021 Industrial Plan, which envisages, *inter alia*, a minimum dividend payout of €1.25 per share⁴.

Banca Generali has not adopted the optional temporary rules envisaged by the European Commission in order to limit the economic impact of Covid-19.

The Bank's liquidity ratios remained high. **LCR (Liquidity Coverage Ratio) was 444%** (441% in 2020) and **NSFR (Net Stable Funding ratio) was 212%** (214% in 2020).

COMMERCIAL RESULTS

Total assets at period-end grew to **€77.5 billion** (+19% compared to the same period of the previous year; +4% YTD), showing a constant recovery from the lows reached in March 2020 following the outbreak of the pandemic.

Managed solutions (funds/Sicavs and financial and insurance wrappers) grew to €39.3 billion (+30% YoY; +5% YTD). They accounted for 50.7% of total assets, showing a sharp growth compared to 46.3% in the previous year and 50.2% at year-end 2020. This growth reflects the clients' attention to investment planning in a context of low- or often negatively-yielding bonds. Among managed solutions, ESG products grew, accounting for 13.6% of the total at the end of the quarter, sharply up from 7.7% for Q1 2020 and 13% at year-end 2020.

The performance of **traditional LOB1 insurance products**, which totalled €16.2 billion (-1% YoY and YTD), was affected by the exchange rate context.

AUC products and current accounts amounted to €22.0 billion (+18% YoY; +6% YTD), with **AUC** totalling €11.8 billion, up 33% compared to Q1 2020 (+8% YTD), benefiting from the expansion of the offerings thanks to the RO4AD advisory services, stronger trading capabilities with BG SAXO, and the launch of structured products.

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel: +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

³The above-mentioned dividend distributions are subject to the Board of Directors' prior verification of: (i) the absence of limits and conditions dictated by the European Central Bank and the Bank of Italy; and that (ii) company and consolidated Total Capital Ratios continue to exceed the SREP minimum requirements plus a 1.7% buffer, thus amounting to 9.7% and 13.5%, respectively.

⁴ Banca Generali's dividend policy envisages a 70-80% payout ratio of earnings generated in the period, with a floor of €1.25. Dividend distribution is subject to the TCR level defined within the Risk-Adjusted Framework and must not exceed a 100% earnings' payout.



It should be noted that total assets of BGFML, Banca Generali's Luxembourg-based fund management company, amounted to €19.4 billion (+31% compared to the previous year; +3.7% YTD), accounting for 25% of total assets for the period.

At the end of the quarter, **Assets under Advanced Advisory (BGPA)** reached €6.5 billion (+40% compared to the previous year; +8% YTD), accounting for 8.3% of total assets. **In April**, total assets further rose to **€6.6 billion (+37% YoY; +10% YTD)**.

Net inflows for Q1 2021 totalled €1.7 billion (+11% compared to the previous year), with a further acceleration to €788 million in April for an **YTD total exceeding €2.4 billion (+29%)**.

Net inflows were mainly concentrated in **managed solutions**, which accounted for 77% of total net inflows for the quarter, compared to 17% for the previous year impacted by the outbreak of the pandemic. In April, managed products accounted for 66% of net inflows, with an increase in liquidity as a result of the acceleration in the acquisition of new clients.

BUSINESS OUTLOOK

The persistent effects of the pandemic, credit uncertainties and fears linked to the inflationary pressures of the first few months of the year have fostered households' demand for advice and protection, while the quality of the Bank's investment solutions have made it possible to grasp the opportunities offered by the markets. Signs of an accelerating recovery are drawing clients' attention back from liquidity and more defensive instruments to those more likely to benefit from the restart of production and international demand. The versatility and value of the Bank's range of products and services are a catalyst not only for high-standing clients, but also for affluent clients who appreciate the comprehensive nature of its banking services, the value of its digital tools, and the high level of personalisation it offers. This is also appreciated by professionals who are looking for a partner able to develop its expertise and talent. The number of new clients and Financial Advisors picked up sharply in the first quarter — a trend confirmed also in the first few weeks of Q2. The interest shown for the Bank's distinctive solutions — such as thematic managed solutions, insurance wrappers, and (ESG) sustainable funds — reinforces the favourable indications for the coming months, also considering that the innovative Sicav Lux IM will be further expanded in the summer season. Banca Generali has entered the last year of the three-year Plan with a decisive step forward compared to its roadmap, as it has already reached the range of objectives originally presented, and with prospects for further improvement as activities resume in the wake of vaccination campaign progress.

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

REQUIREMENTS OF DIRECTORS AND STATUTORY AUDITORS APPOINTED BY THE GENERAL SHAREHOLDERS' MEETING VERIFIED

At its today's meeting, the Board of Directors also: (i) ascertained, following preliminary checks by the Nomination, Governance and Sustainability Committee, that the Directors appointed by the General Shareholders' Meeting held on 22 April 2021 meet all legal requirements, and that there are no impediments and suspensive situations, in accordance with the current statutory and regulatory provisions; (ii) acknowledged that the Board of Statutory Auditors verified that the Statutory Auditors appointed by the aforementioned General Shareholders' Meeting meet the

requirements established by the law and the Articles of Association, and that there are no impediments and suspensive situations.

The assessments were carried out based on the documents submitted and the statements made by the Directors and Statutory Auditors appointed, as well as the information available to the Company.

Such verifications showed that all the Directors and Statutory Auditors meet the legal and statutory requirements to hold the role they have been appointed to in the Company, including, where applicable, the independence requirement. In this regard, it is pointed out that:

- Directors Lorenzo CAPRIO, Roberta COCCO, Massimo LAPUCCI, Annalisa PESCATORI and Vittorio Emanuele TERZI have been found to be independent within the meaning of Legislative Decree No. 58/1998, Decree No. 169/2020 of the Ministry of Economy and Finance, and the Corporate Governance Code for Listed Companies;
- all the regular and alternate members of the Board of Statutory Auditors were found to meet the independence requirement established by the law and the Corporate Governance Code for Listed Companies. It should be noted that, for Regular Statutory Auditor Mario Francesco ANACLERIO — in light of the fact that served the Company as Independent Director for three years (2012-2015) and as Regular Statutory Auditor for six years (2015-2021) — the assumption of a term of office of more than nine years in the last twelve years (where applicable, as the aforesaid offices are not homogeneous) laid down by the Corporate Governance Code is prudently disappplied. In fact, by virtue of the principle of the prevalence of substance over form, it is considered that: (i) the member's independence is not undermined (as, in any case, the member meets all the independence requirements laid down by banking regulations, as well as all the other criteria established by the Corporate Governance Code); (ii) the member's inclusion in the Company's control body allows to maintain an adequate continuity within the Board of Statutory Auditors (as recommended by the same outgoing control body with reference to the qualitative-quantitative composition criteria) and to benefit from the member's vast experience with particular reference to the Company's specific business sector.

In addition, the Board of Directors: (i) ascertained the adequacy of the collective composition and the overall eligibility of the Board of Directors and the Board Committees resulting from the appointment process carried out upon the General Shareholders' Meeting held on 22 April 2021 and that the aforementioned Boards meet the optimal qualitative and quantitative composition criteria approved by the outgoing Board of Directors on 23 February 2021 and published in accordance with applicable laws; (ii) ascertained that, in light of the above, the Board of Directors of the Company is made up of a majority of Independent Directors, in accordance with Article 16, paragraph 1(d), of the Regulation adopted with Consob Resolution No. 20249 dated 28 December 2017 (so called Rules on Markets); (iii) acknowledged the same assessment carried out by the Board of Statutory Auditors, which ascertained the adequacy of the collective composition and overall eligibility of the control body resulting from the appointment process carried out upon the aforementioned General Shareholders' Meeting and that the Board meets the optimal qualitative and quantitative composition criteria approved by the outgoing Board of Statutory Auditors on 23 February 2021 and published in accordance with applicable laws; and (iv) with reference to Directors, Statutory Auditors, the Manager in Charge of preparing the Company's financial reports pursuant to Article 154-*bis* of TUF and the Vice Deputy General Manager, ascertained that there are no situations that fall within the scope of application of Article 36 of Legislative Decree No. 201

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

of 6 December 2011, converted with Law No. 214 of 22 December 2011 prohibiting interlocking directorates.

* * *

PRESENTATION TO THE FINANCIAL COMMUNITY

The quarterly results will be presented to the financial community during a **conference call** scheduled tomorrow, 12 May 2021 at **11:00 a.m. CEST**.

It will be possible to follow the event by dialling the following telephone numbers:

| | |
|---|---|
| from Italy and other non-specified countries: | +39 02 805 88 11; |
| from the United Kingdom | +44 121 281 8003; |
| from the USA | +1 718 705 8794 (toll-free +1 855 265 6959) |

* * *

Annexes:

1. Banca Generali - Consolidated Profit and Loss Statement at 31 March 2021
2. Banca Generali - Reclassified Consolidated Balance Sheet at 31 March 2021
3. Total Assets at 31 March 2021

* * *

*The Manager responsible for preparing the company's financial reports (Tommaso di Russo) declares, pursuant to Paragraph 2 of Art. 154-bis of the Italian Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.
Tommaso di Russo (CFO of Banca Generali)*

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

1) BANCA GENERALI – CONSOLIDATED PROFIT AND LOSS STATEMENT AT 31 MARCH 2021

| (€ mil.) | 1Q 2020 | 1Q 2021 | % Chg |
|---|--------------|--------------|------------------|
| Net Interest Income | 20.2 | 21.7 | 7.4% |
| Net income (loss) from trading activities and Dividends | 4.0 | 2.9 | -25.9% |
| Net Financial Income | 24.2 | 24.7 | 1.9% |
| Gross recurring fees | 195.5 | 221.2 | 13.1% |
| Fee expenses | -104.4 | -117.0 | 12.1% |
| Net recurring fees | 91.1 | 104.1 | 14.3% |
| Variable fees | 53.4 | 111.0 | 107.9% |
| Total Net Fees | 144.5 | 215.2 | 48.9% |
| Total Banking Income | 168.8 | 239.9 | 42.1% |
| Staff expenses | -25.7 | -26.4 | 3.0% |
| Other general and administrative expense | -21.4 | -22.3 | 4.1% |
| Depreciation and amortisation | -7.7 | -8.2 | 6.1% |
| Other net operating income (expense) | 0.8 | 0.9 | 21.5% |
| Total operating costs | -54.1 | -56.0 | 3.6% |
| Operating Profit | 114.7 | 183.8 | 60.3% |
| Net adjustments for impair.loans and other assets | -1.1 | -1.4 | 30.8% |
| Net provisions for liabilities and contingencies | -8.2 | -11.3 | 37.4% |
| Contributions to banking funds | -3.1 | -4.6 | 51.6% |
| Gain (loss) from disposal of equity investments | 0.0 | -0.1 | 59.5% |
| Profit Before Taxation | 102.3 | 166.4 | 62.7% |
| Direct income taxes | -23.2 | -31.0 | 33.5% |
| Net Profit | 79.1 | 135.4 | 71.3% |
| Cost /Income Ratio | 27.5% | 19.9% | -7.6 p.p. |
| EBITDA | 122.4 | 192.0 | 56.9% |
| Tax rate | 22.7% | 18.6% | -4.1 p.p. |

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

2) BANCA GENERALI – RECLASSIFIED CONSOLIDATED BALANCE SHEET AT 31 MARCH 2021 (€M)

(€ millions)

| Assets | Dec 31, 2020 | Mar 31, 2021 | Change | % Change |
|---|-----------------|-----------------|--------------|-------------|
| Financial assets at fair value through P&L (FVPL) | 48.5 | 45.6 | -2.9 | -6.0% |
| Financial assets at fair value through other comprehensive income (FVOCI) | 2,730.1 | 3,412.0 | 681.9 | 25.0% |
| Financial assets at amortised cost | 9,657.4 | 9,889.6 | 232.2 | 2.4% |
| <i>a) Loans to banks</i> | 1,236.6 | 1,484.2 | 247.6 | 20.0% |
| <i>b) Loans to customers</i> | 8,420.8 | 8,405.4 | -15.4 | -0.2% |
| Equity investments | 1.7 | 1.7 | -0.1 | -3.4% |
| Property equipment and intangible assets | 288.6 | 280.3 | -8.3 | -2.9% |
| Tax receivables | 49.8 | 52.9 | 3.0 | 6.1% |
| Other assets | 400.9 | 353.4 | -47.5 | -11.8% |
| Assets under disposal | 0.0 | 1.8 | 1.8 | 0.0% |
| Total Assets | 13,177.0 | 14,037.2 | 860.2 | 6.5% |

| Liabilities and Shareholders' Equity | Dec 31, 2020 | Mar 31, 2021 | Change | % Change |
|--|-----------------|-----------------|--------------|-------------|
| Financial liabilities at amortised cost | 11,506.6 | 12,183.5 | 676.9 | 5.9% |
| <i>a) Due to banks</i> | 598.1 | 805.6 | 207.5 | 34.7% |
| <i>b) Direct inflows</i> | 10,908.5 | 11,377.9 | 469.4 | 4.3% |
| Financial liabilities held for trading | 69.4 | 78.1 | 8.7 | 12.5% |
| Tax payables | 42.5 | 69.6 | 27.1 | 63.7% |
| Other liabilities | 181.7 | 184.1 | 2.4 | 1.3% |
| Liabilities under disposal | 0.0 | 0.4 | 0.4 | 0.0% |
| Special purpose provisions | 192.3 | 201.8 | 9.5 | 4.9% |
| Valuation reserves | 4.1 | 2.4 | -1.7 | -41.0% |
| Capital instruments | 50.0 | 50.0 | 0.0 | 0.0% |
| Reserves | 726.5 | 1,002.9 | 276.4 | 38.0% |
| Additional paid-in capital | 57.1 | 57.1 | 0.0 | 0.0% |
| Share capital | 116.9 | 116.9 | 0.0 | 0.0% |
| Treasury shares (-) | -45.2 | -45.2 | 0.0 | 0.0% |
| Shareholders' equity attributable to minority interest | 0.2 | 0.3 | 0.0 | 11.8% |
| Net income (loss) for the period (+/-) | 274.9 | 135.4 | -139.5 | -50.7% |
| Total Liabilities and Shareholders' Equity | 13,177.0 | 14,037.2 | 860.2 | 6.5% |

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

3) TOTAL ASSETS AT 31 MARCH 2021

| | | <i>Million of Euros</i> | | | |
|----------------------------------|---------------------|-------------------------|---------------|--------------|--------------|
| | | Mar 2021 | Dec 2020 | Abs. Chg | Chg. |
| Mutual Funds | | 20.736 | 19.625 | 1.111 | 5,7% |
| | of which Lux IM | 6.025 | 5.567 | 458 | 8,2% |
| Portfolio Management | | 8.424 | 8.164 | 261 | 3,2% |
| Insurance Wrappers | | 10.101 | 9.592 | 509 | 5,3% |
| Managed Assets | | 39.262 | 37.381 | 1.881 | 5,0% |
| Traditional Life Policies | | 16.230 | 16.453 | -223 | -1,4% |
| Non Managed Assets | | 21.976 | 20.654 | 1.321 | 6,4% |
| | of which Securities | 11.837 | 10.985 | 852 | 7,8% |
| Total | | 77.468 | 74.488 | 2.979 | 4,0% |

Assets Under Management (YTD)

| | | <i>Million of Euros</i> | | | |
|----------------------------------|---------------------|-------------------------|---------------|---------------|--------------|
| | | Mar 2021 | Mar 2020 | Abs. Chg | Chg. |
| Mutual Funds | | 20.736 | 14.793 | 5.944 | 40,2% |
| | of which Lux IM | 6.025 | 3.631 | 2.394 | 66,0% |
| Portfolio Management | | 8.424 | 7.403 | 1.022 | 13,8% |
| Insurance Wrappers | | 10.101 | 7.997 | 2.104 | 26,3% |
| Managed Assets | | 39.262 | 30.193 | 9.070 | 30,0% |
| Traditional Life Policies | | 16.230 | 16.358 | -128 | -0,8% |
| Non Managed Assets | | 21.976 | 18.636 | 3.339 | 17,9% |
| | of which Securities | 11.837 | 8.919 | 2.918 | 32,7% |
| Total | | 77.468 | 65.187 | 12.281 | 18,8% |

CONTACTS:

www.bancagenerali.com

Media Relations
Michele Seghizzi
Tel. +39 02 408 26683

Michele.seghizzi@bancagenerali.it

Investor Relations
Giuliana Pagliari
Tel: +39 02 408 26548

giuliana.pagliari@bancagenerali.it

Fine Comunicato n.0856-33

Numero di Pagine: 11