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Testo del comunicato

Vedi allegato.

PRESS RELEASE
RESULTS FOR THE FIRST THREE MONTHS OF 2021

Banca Ifis: net profit for the quarter comes to 20,1 million Euro with two-figure growth seen in revenues from core business

The first quarter of 2021 saw an all-time high recorded for cash collections on Npl portfolios acquired, which came to 81 million Euro (+24%) coupled with excellent performance in revenues from commercial and corporate banking (+21%) on the same period of last year. Faced with an improving macroeconomic context, positive signs are recorded by customers: more than a third have chosen to resume payments of the instalments that had benefited from moratoriums, early. Concrete commercial contributions from the digitisation of business. Capital ratios have improved further; liquidity position and quality of assets are amongst the best in class.

- **Equity position strengthened with CET1 at 11,77%, (+0,48% on 31 December 2020)**
- **Net banking income totalled 137,7 million Euro, up 30% from the first quarter of 2020**
- **Cost of credit¹ of 16 million Euro, including 8 million Euro in additional provisions made on performing exposures under the scope of the additional prudence applied in respect of the Covid-19 scenario**
- **Solid liquidity position: approximately 1,2 billion Euro at 31.03.2021 in reserves and free assets that can be financed by the ECB (LCR above 1.400%)**
- **Retail funding stable at 4,5 billion Euro**
- **Dividend of 0,47 Euro per share scheduled for payment on 26 May**

First quarter 2021 results

Reclassified data¹ - 1 January 2021/31 March 2021

- **Net banking income up to 137,7 million Euro (+30% on 31.03.2020)**, benefiting from the macroeconomic recovery and progressive normalisation of the Npl business.
- **Operating costs** at 91,3 million Euro (+24,2% on 31.03.2020) due to higher variable costs linked to the legal business of the Npl Segment, the entrance of Farbanca into the scope and new ICT projects.
- **Net profit** of 20,1 million Euro, up 10 million Euro on the first quarter of last year (excluding the extraordinary capital gain of 24,2 million Euro from this and the related tax effect due to the sale of the Milan property in Corso Venezia).

Capital requirements with the consolidation within La Scogliera

- **CET1 up to 11,77%** (11,29% at 31 December 2020) with respect to an SREP requirement of 8,12%; TCR: 15,47% (14,85% at 31 December 2020) with respect to an SREP requirement of 12,5%. These results are calculated without including the profits generated by the Banking Group during the first three months of 2021.

Capital requirements without the consolidation within La Scogliera²

- **CET1: 15,97%** (15,47% at 31 December 2020); TCR: 20,51% (19,87% at 31 December 2020). These results are calculated net of the profits generated by the Banking Group during the first three months of 2021.

¹ Net credit risk losses of the Npl Segment were entirely reclassified to Interest receivable and similar income to present more fairly this particular business, as they represent an integral part of the overall return on the investment.

² Consolidated own funds, risk-weighted assets and solvency ratios at 31 March 2021 were calculated based on the regulatory principles set out in Directive 2013/36/EU (CRD IV) and Regulation (EU) 575/2013 (CRR) of 26 June 2013, as updated and amended over time and transposed, where applicable, in the Bank of Italy's Circulars no. 285 and no. 286 of 17 December 2013. In particular, the CRR provides for the prudential consolidation of Banca Ifis in the holding La Scogliera. For the sake of disclosure, we calculated the same indicators without including the effects of the consolidation within La Scogliera. Therefore, the reported total own funds refer only to the scope of the Banca Ifis Banking Group, as defined in accordance with Italian Legislative Decree no. 385/93, thus excluding the effects of the prudential consolidation within the parent company La Scogliera S.p.A.

PRESS RELEASE RESULTS FOR THE FIRST THREE MONTHS OF 2021

Mestre (Venice), 13 May 2021 – The Board of Directors of Banca Ifis, chaired by the Deputy Chairman, Ernesto Fürstenberg Fassio, today approved the results for the first three months of 2021.

“Banca Ifis is a unique, highly resilient organisation that can well oversee specific businesses that call for a distinctive skill set”, **Frederik Geertman, the Group’s CEO starts out.**

“The results of the first quarter, which closes with net period profit of 20,1 million Euro consequently confirm the validity of a model based on quality and specialisation that today boasts good industrial performance. **The commercial business has shown very dynamic performance and greater disbursements**, particularly in loans backed by Mediocredito Centrale, reporting revenues of 65 million Euro, up 21% on the first quarter of 2020. **We are speeding up the digitisation of processes with a view to increasing efficiency, speed and an omni-channel approach**, already obtaining concrete commercial contributions. In the first quarter of 2021, one fifth of our new customers were acquired digitally. The aim is to incorporate technology into our processes and offer customers a “business-measure” experience. The new platforms will allow for not only the marketing of the Bank’s products but also, indeed above all, the more automated management of back-office in order to focus people and skills on the activities with high added value” **Mr Geertman continues.**

“**The performance of the Npl business, with revenues of 58,3 million Euro, +35% on the first quarter of 2020**, benefits from a normalisation of the court’s work and a better management of the voluntary recovery plans, with an increase in “balances paid off” on the most uncertain realignment plans, on the basis of the analysis of each individual position. In the Npl business, the strategy aims to optimise servicing in terms of costs and recovery time: in these first three months of the year, we have achieved an all-time high in cash collection on portfolios acquired, which comes to 81 million Euro, up 24% on Q1 2020.

The cost of credit was 16 million Euro and includes 8 million Euro in additional provisions made on performing exposures under the scope of the additional prudence applied in respect of the Covid-19 scenario. We have devoted particularly close attention to monitoring loans in moratorium with a segment analysis and for the main positions. The initial feedback is positive: to date, one third of our customers have chosen to resume making payments of their instalments that had benefited from moratorium early, thanks to the progressive improvement of the macroeconomic context. **The CET1 has reached 11,77%**, calculated excluding the quarter profit. The allocation of capital will be according to the profitability of the individual business units and projects, in any case maintaining a diversification between the commercial business and the NPLs, which has confirmed its value even amidst the Covid-19 crisis”, **Mr Geertman concludes.**

PRESS RELEASE

RESULTS FOR THE FIRST THREE MONTHS OF 2021

Highlights

RECLASSIFIED DATA ¹

The Banca Ifis Group's consolidated income statement for the first three months of 2021 reported a profit attributable to the Parent Company of 20,1 million Euro.

[Highlights from the Banca Ifis Group's income statements for the first three months of 2021 are set out below.](#)

Net banking income¹

Net banking income totalled 137,7 million Euro, up 30% from 106 million Euro at 31 March 2020. This increase of 31,8 million Euro is mainly linked to the following two factors:

- effect of the better general economic context on the **Npl Segment**, in particular court activities and, consequently, lawsuits to collect debt that resulted in growth of net banking income of around 15,0 million Euro;
- contribution of the **Commercial & Corporate Banking** Segment, with growth of approximately 11,2 million Euro, mainly due to the Corporate Banking & Lending Business Area following:
 - the contribution for 4,8 million Euro of Farbanca S.p.A. (a company that was not yet part of the Banca Ifis Group in Q1 2020);
 - the net profit of assets measured at fair value for 2,0 million Euro, up 4,0 million Euro on the loss recorded during the first three months of 2020, due to the unique macroeconomic context and the instability of the main listed indices used in the valuation models;
- the positive contribution of the **Governance & Services and Non Core Segment**, up approximately 5,6 million Euro, due to the greater contribution made both by the PPA for approximately 2,8 million Euro, for certain early repayments made at the start of 2021 and other positive components of net banking income connected with investments in financial assets.

Net impairment losses¹

At 31 March 2021, net credit risk losses came to 16,1 million Euro, as compared with the 18,5 million Euro booked at 31 March 2020 (-13,0%). In particular, during the first quarter of 2021, the **Factoring Area** records net write-backs for 4,3 million Euro due to the reduction in non-performing exposures, in particular in segments considered as more at risk in connection with the economic effects of the pandemic and a review of the credit risk measurement models. This positive contribution is juxtaposed against the **Leasing Area**, whose net value adjustments on receivables come to 3,7 million Euro (4,3 million Euro at 31 March 2020) and the **Corporate Banking & Lending Area**, with net adjustments 6,3 million Euro, up 4,2 million Euro on the same period of last year, due to additional provisions made for reasons of prudence in connection with the Covid-19 scenario. Finally, the **Governance & Services and Non-Core Segment** contributes with net adjustments for 10,4 million Euro, up on the 7,5 million Euro at 31 March 2020, mainly due to the write-down of a significant position in the run-off portfolio.

Operating costs

Operating costs totalled 91,3 million Euro, showing an increase of 24,2% on 31 March 2020. The trend is linked to the increase in payroll costs, mainly due to the entrance of Farbanca into the scope, to higher legal costs and costs for the collection of NPLs, new ICT projects, greater investments made in marketing and advertising, in addition to net period provisions made for risks and charges and to the Single Resolution Fund (SRF).

¹ Net credit risk losses of the Npl Segment were entirely reclassified to Interest receivable and similar income to present more fairly this particular business, as they represent an integral part of the overall return on the investment.

³ The term "PPA reversal" refers to the reversal over time of the difference between the fair value as measured in the business combination and the carrying amount of the receivables of the former GE Capital Interbanca Group, acquired on 30 November 2016.

PRESS RELEASE

RESULTS FOR THE FIRST THREE MONTHS OF 2021

Below are details of the item's main components.

- Personnel expenses rose by 5,5% to 33,8 million Euro (32,0 million Euro for the period ended 31 March 2020). The slight increase in this item as compared with Q1 2020, is mainly due to the entrance of Farbanca S.p.A. into the Banca Ifis Group, for approximately 0,8 million Euro and greater variable provisions made for around 1,0 million Euro. The number of Group employees at 31 March 2021 was 1.765 as compared with 1.750 resources at 31 March 2020.
- Other administrative expenses at 31 March 2021 come to 52,5 million Euro and increase by 29,5% on 31 March 2020, mainly due to the higher legal costs and costs for collecting on NPLs (+5,5 million Euro as compared with the first quarter of 2020, which had been impacted by the court closures), entrance of Farbanca into the consolidation scope (+1,2 million Euro), higher costs linked to ICT projects (+2,2 million Euro as compared with the first quarter of 2020), professional services (+0,6 million Euro on 31 March 2020) and investments in marketing and advertising (+0,7 million Euro on the same period of 2020).
- Net allocations to provisions for risks and charges amounted to 7,4 million Euro, an increase on the 4,9 million Euro at 31 March 2020. Net period provisions refer 4,0 million Euro to the Single Resolution Fund (SRF). Provisions are also made for 2,5 million Euro for commitments to disburse funds and guarantees.
- Other net operating income of 6,8 million Euro is down by 14,8% on the same period of last year, which had been positively impacted by indemnities against guarantees received on the sales of Npl portfolios.

Net profit attributable to the Parent Company

At 31 March 2021, net profit pertaining to the Parent Company came to 20,1 million Euro, up 10 million Euro on the to the same period of 2020 (excluding the extraordinary capital gain of 24,2 million Euro from this and the related tax effect due to the sale of the Milan property in Corso Venezia).

Focus on individual Segments

Below are the main dynamics recorded in the individual Segments that go towards forming the economic-equity results at 31 March 2021.

Net profit from the Commercial & Corporate Banking Segment rose by 40,5% on 31 March the previous year and **came to 15,3 million Euro**. This change is due to the growth of net banking income for 11,2 million Euro, and by greater credit risk losses for 5,3 million Euro as compared with the first quarter of last year. Operating costs rose by a total of 8,8 million Euro on the figure recorded for Q1 2020.

- The contribution made by the **Factoring Area** towards net banking income booked by the Commercial & Corporate Banking Segment came to 34,0 million Euro in the period, down 6,5% on the same period of last year. This result was due to the lower contribution both of net interest income (down by 1,2 million Euro, -5,3%) and net commission income (down by 1,3 million Euro, -9,0%). During the period, the net banking income is less by 2,4 million Euro on the same quarter of 2020.
- Net banking income from the **Leasing Area** amounted to 13,6 million Euro, +15% on 31 March 2020. The higher margin is due for 1,9 million Euro to lesser interest expense. This positive effect on the interest margin is partially offset by the reduction in the commission margin for 0,2 million Euro.
- Net banking income of the **Corporate Banking & Lending Area** came to 17,3 million Euro, up 11,7 million Euro on 31 March 2020. In detail, the increase is the result of the sum of 6,7 million Euro in interest margin, one million Euro in commission and 4 million Euro in other items making up net banking income.

Period profit of the Npl Segment¹ is approximately 11,5 million Euro, up 69,5% on the same period of 2020 thanks to the recovery of all business activities.

PRESS RELEASE RESULTS FOR THE FIRST THREE MONTHS OF 2021

The net banking income of the Segment¹ amounted to 58,3 million Euro (+34,8%) as compared with 43,2 million Euro at 31 March 2020. The increase is due to both the increase in the amount of loans at amortised cost that generated interest income for 36,2 million Euro (up 4,9% at 31 March 2021), and the improvement of cash flow forecasts as a result of collections made in respect of projections, with an effect of 27,5 million Euro on the interest margin in Q1 2021 (+82,5%).

Collections made in the Npl Segment in Q1 2021 came to 80,9 million Euro, +24% on the 65,2 million Euro booked for Q 2020 and include the instalments collected on realignment plans, garnishment orders and transactions performed.

Operating costs go from 33,5 million Euro in the first quarter of 2020 to 41,5 million Euro for 31 March 2021, an increase of 23,9% mainly due to the variable costs connected with debt collection.

At 31 March 2021, the **Governance & Services and Non Core Segment** recorded a loss of 6,0 million Euro as compared with the profit of 8,8 million Euro of 31 March 2020, which benefited notably from the capital gain, net of the related costs of sale, of 24,2 million Euro of the sale of the property in Corso Venezia, Milan.

The Segment's net banking income comes to 14,5 million Euro, up 5,6 million Euro on the same period of last year and with an increase seen both in the Non Core Area for 4,7 million Euro and in the Governance & Services Area for 0,9 million Euro.

Operating costs come to 12,9 million Euro, up 0,9 million Euro on 31 March 2020. The increase is almost exclusively the result of the higher cost for the contribution to the Single Resolution Fund (SRF): approximately 1,0 million Euro more than the allocation made during the same period of last year.

The breakdown of the main statement of financial position items of the Banca Ifis Group at 31 March 2021 is shown below.

Receivables due from customers measured at amortised cost

Total receivables due from customers measured at amortised cost amounted to 9.032,1 million Euro, down 1,1% on 31 December 2020 (9.135,4 million Euro). The item includes debt securities for 1,4 billion Euro (1,3 billion Euro at 31 December 2020). The **Commercial & Corporate Banking Segment** is down on the same period of last year (-2,7%). This reduction is concentrated above all on the Factoring Area (-8,8%) and was only partially offset by the growth of the Corporate Banking & Lending Area (+5,0%, equal to growth of approximately 92 million Euro); leasing is also slightly down, -0,6%. Receivables of the **Npl Segment** are down 0,5%, whilst an increase is recorded of 63,5 million Euro in exposures of the **Governance & Services and Non-Core Segment**, mainly due to the purchase of debt securities.

Total net non-performing exposures, which are significantly affected by the receivables of the **Npl Segment**, amounted to 1.598,0 million Euro at 31 March 2021, compared to 1.591,9 million Euro at 31 December 2020 (+0,4%).

Net of the Npl Segment portfolio, non-performing loans come to 222,1 million Euro, up on the 210,8 million Euro recorded at 31 December 2020.

Funding

During the first three months of 2021, the Group continued its strategy of differentiating between distribution channels, in order to ensure a better balance with respect to retail funding. The Group has surplus liquidity in respect of its needs (approximately 1,2 billion Euro at 31 March 2021 in reserves and free assets that can be financed in the ECB), thereby enabling it to easily respect the LCR and NSFR limits (with indexes more than of 1.400% and 100% respectively).

At 31 March 2021, total funding came to 9.735,3 million Euro, -1,7% on the end of FY 2020; the funding structure was as follows:

- 56,8% customers;
- 10,9% debt securities;
- 9,2% ABSs;

PRESS RELEASE RESULTS FOR THE FIRST THREE MONTHS OF 2021

- 20,5% TLTROs;
- 2,7% other.

Payables due to customers at 31 March 2021 totalled 5.526,3 million Euro: +1% on 31 December 2020, recording substantial stability of retail funding (mainly Rendimax and Contomax), which comes to 4.489,2 million Euro at end March 2021 (+0,7%).

Payables due to banks amounted to 2.251,1 million Euro, down 4,9% compared to 31 December 2020.

Securities issued at 31 March 2021 came to 1.957,9 million Euro, down on the 2.069,1 million Euro at end 2020. During the first quarter of 2021, upon reaching the due date, the debenture loan that had, at the time, been issued by the incorporated Interbanca, and which at 31 December 2020 had a residual balance of 62,7 million Euro, was repaid in full.

Equity and ratios

At 31 March 2021, the Group's consolidated equity was up 1,4%, coming in at 1.571,7 million Euro as compared with the 1.550,0 million Euro at end 2020, mainly due to the period result pertaining to the Parent Company for 20,1 million Euro and the net positive change of 0,9 million Euro in the valuation reserve on securities in the first quarter of 2021.

With prudential consolidation within La Scogliera, capital ratios at 31 March 2021 amounted to a CET1 ratio of 11,77%⁴ (compared with 11,29% at 31 December 2020), a TIER1 ratio of 12,38%⁴ (11,86% at 31 December 2020) and a Total Capital ratio of 15,47%⁴ (compared with 14,85% at 31 December 2020).

At 31 March 2021 **the ratios for the Banca Ifis Group only**, without considering the effects of consolidation within the parent company, La Scogliera, amounted to a CET1 ratio of 15,97%⁴ (compared with 15,47% at 31 December 2020), a TIER1 ratio of 15,99%⁴ (15,49% at 31 December 2020) and a Total Capital ratio of 20,51%⁴ (compared with 19,87% at 31 December 2020).

In addition, please note that the Bank of Italy has asked the Banca Ifis Group to satisfy the following consolidated capital requirements in 2021, in continuity with 2020, including a 2,5% capital conservation buffer:

- Common Equity Tier 1 (CET1) capital ratio of 8,12%, with a required minimum of 5,62%;
- Tier 1 Capital Ratio of 10,0%, with a required minimum of 7,5%;
- Total Capital Ratio of 12,5%, with a required minimum of 10,0%.

At 31 March 2021, the Banca Ifis Group easily met the above prudential requirements.

Significant events occurred in the period

The Banca Ifis Group transparently and promptly discloses information to the market, constantly publishing information on significant events through press releases. Please visit the "Investor Relations" and "Media" sections of the institutional website www.bancaifis.it to view all press releases.

Corporate reorganisation of the Group's business in the Npl Segment

On 1 January 2021, the Npl Segment underwent a corporate reorganisation with the creation of a vertical chain aiming to guarantee the separation and independence of loan acquisitions and collections. The Group's business in the Non-Performing Loans has therefore been reorganised into three separate companies: Ifis Npl Investing, Ifis Npl Servicing

⁴ Common Equity Tier 1, Tier 1 Capital, and Total Own Funds at 31 March 2021 do not include the profits generated by the Banking Group in the first three months of 2021.

PRESS RELEASE

RESULTS FOR THE FIRST THREE MONTHS OF 2021

and Ifis Real Estate. The first acquires the portfolios, the second deals with management and collection and Ifis Real Estate deals with the real estate business, servicing the other two companies.

Resignation of Director Divo Gronchi

On 14 January 2021, the Independent Director Divo Gronchi tendered his resignation, with immediate effect, from the position of Director and, consequently, member of the Company's Appointments Committee and Supervisory Body. Having acknowledged the resignation tendered by Mr Gronchi, the Board of Directors resolved to replenish the Appointments Committee members, choosing Monica Billio as new member. The Board has also resolved to replenish the members of the Bank's Supervisory Body, appointing Beatrice Colleoni as new member.

Agreement for the cessation of contracts with Luciano Colombini

On 11 February 2021, Chief Executive Officer Luciano Colombini tendered his resignation, as already announced in December 2020, from the role of Chief Executive Officer and the position of director on the board of Banca Ifis, to embark on new professional challenges. Mr Colombini ceased office upon conclusion of the Shareholders' Meeting held on 22 April 2021.

On 11 February 2021, the Bank's Board of Directors therefore approved, with the opinion in favour given by the Remuneration Committee and the Board of Auditors, an agreement for the cessation of contracts with Luciano Colombini. This agreement, which is in line with the Bank's approved Remuneration Policy, establishes that Mr Colombini will be paid his remuneration for the office of Chief Executive Officer until the date on which he effectively leaves office, as well as the deferred components of the bonus already accrued and recognised for FY 2019, which will be paid in accordance with the terms and conditions of the Remuneration Policy. In addition, at the date on which he leaves office, Mr Colombini will receive severance indemnity equal to the fixed and variable remuneration envisaged for the residual term of the three-year mandate originally conferred upon him (12 months of recurring remuneration), to be paid in accordance with the terms and conditions of the Remuneration Policy (and, therefore, 50% in financial instruments, with a deferral period, of a portion of 40% of the indemnity, of 3 years, without prejudice, in any case, to the application of the *malus* and clawback clauses). No non-competition obligations are envisaged.

Banca Ifis has developed the first securitisation in Italy of NPLs backed by assignment orders

On 22 March 2021, Banca Ifis declared that for the purpose of a loan, through the subsidiary Ifis Npl Investing, it had implemented the very first securitisation in Italy of a non-performing portfolio mainly comprising unsecured loans backed by assignment orders. The transaction is an innovative solution for this type of non-performing exposure, where the debt collection procedure through compulsory enforcement (attachment of one fifth of the salary) and is at an advanced stage. The transaction aimed to collect funding for Ifis Npl Investing of up to 350 million Euro in liquidity on the institutional market, without deconsolidating the underlying credits. The loan portfolios concerned by the transaction (a portfolio of secured loans and an unsecured portfolio backed by assignment orders) owned by the subsidiary Ifis Npl Investing, was transferred to a newly-established SPV called IFIS NPL 2021-1 SPV S.r.l., which issued senior, mezzanine and junior notes.

Significant subsequent events

The Shareholders' Meeting has approved the 2020 financial statements. Geertman C.E.O.

The Shareholders' Meeting of Banca Ifis, which met on 22 April 2021 chaired by Sebastien Egon Fürstenberg, approved the 2020 annual financial statements and the distribution of a unitary gross dividend of 0,47 Euro per share, deducted from own funds at 31 December 2020. The amount will be payable starting 26 May 2021 with record date on 25 May 2021 and ex-dividend date (no. 23) of 24 May 2021. The Shareholders' Meeting confirmed Frederik Geertman as CEO, previously coopted as director on 11 February 2021, and approved the proposal made by the majority shareholder La Scogliera S.p.A. to appoint Monica Regazzi as new independent director, to replace the resigning director Luciano Colombini. The Board of Directors, which met at the end of the Shareholders' Meeting, therefore appointed Frederik Geertman as Chief Executive Officer of Banca Ifis, granting him the relevant powers.

PRESS RELEASE RESULTS FOR THE FIRST THREE MONTHS OF 2021

Verified the independence requirements of the director Monica Regazzi

On 13 May 2021, during the meeting the Board verified the independence requirements, according to the criteria set out in Legislative Decree no. 58/1998 and in the Corporate Governance Code, of the director Monica Regazzi.

Declaration of the Corporate Accounting Reporting Officer

Pursuant to article 154 bis, paragraph 2 of the Consolidated Law on Finance, the Corporate Accounting Reporting Officer, Mariacristina Taormina, declares that the financial information contained in this press release corresponds to the related books and accounting records.

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PRESS RELEASE

RESULTS FOR THE FIRST THREE MONTHS OF 2021

Reclassified Financial Statements

Net credit risk losses of the Npl Segment were reclassified to interest receivable and similar income to present more fairly this particular business, for which net impairment losses represent an integral part of the return on the investment.

Reclassified Consolidated Statement of Financial Position

ASSETS (in thousands of Euro)	AMOUNTS AT		CHANGE	
	31.03.2021	31.12.2020	ABSOLUTE	%
Cash and cash equivalents	88	82	6	7,3%
Financial assets held for trading through profit or loss	6.053	20.870	(14.817)	(71,0)%
Financial assets mandatorily measured at fair value through profit or loss	142.699	136.978	5.721	4,2%
Financial assets measured at fair value through other comprehensive income	759.471	774.555	(15.084)	(1,9)%
Receivables due from banks measured at amortised cost	1.080.307	1.083.281	(2.974)	(0,3)%
Receivables due from customers measured at amortised cost	9.032.139	9.135.402	(103.263)	(1,1)%
Property, plant and equipment	116.564	115.149	1.415	1,2%
Intangible assets	61.043	60.970	73	0,1%
<i>of which goodwill</i>	<i>38.787</i>	<i>38.798</i>	<i>(11)</i>	<i>(0,0)%</i>
Tax assets:	374.264	381.431	(7.167)	(1,9)%
a) current	65.742	74.255	(8.513)	(11,5)%
b) deferred	308.522	307.176	1.346	0,4%
Other assets	268.582	317.478	(48.896)	(15,4)%
Total assets	11.841.210	12.026.196	(184.986)	(1,5)%

LIABILITIES AND EQUITY (in thousands of Euro)	AMOUNTS AT		CHANGE	
	31.03.2021	31.12.2020	ABSOLUTE	%
Payables due to banks measured at amortised cost	2.251.098	2.367.082	(115.984)	(4,9)%
Payables due to customers measured at amortised cost	5.526.263	5.471.874	54.389	1,0%
Debt securities issued measured at amortised cost	1.957.906	2.069.083	(111.177)	(5,4)%
Financial liabilities held for trading	8.158	18.551	(10.393)	(56,0)%
Tax liabilities:	52.524	48.154	4.370	9,1%
a) current	15.619	12.018	3.601	30,0%
b) deferred	36.905	36.136	769	2,1%
Other liabilities	406.769	438.311	(31.542)	(7,2)%
Post-employment benefits	8.747	9.235	(488)	(5,3)%
Provisions for risks and charges	58.080	53.944	4.136	7,7%
Valuation reserves	(19.065)	(19.337)	272	(1,4)%
Reserves	1.390.274	1.320.871	69.403	5,3%
Share premiums	102.555	102.491	64	0,1%
Share capital	53.811	53.811	-	0,0%
Treasury shares (-)	(2.948)	(2.948)	-	0,0%
Equity attributable to non-controlling interests (+/-)	26.916	26.270	646	2,5%
Profit (loss) for the period (+/-)	20.121	68.804	(48.683)	(70,8)%
Total liabilities and equity	11.841.210	12.026.196	(184.986)	(1,5)%

PRESS RELEASE
RESULTS FOR THE FIRST THREE MONTHS OF 2021

Reclassified Consolidated Income Statement

ITEMS (in thousands of Euro)	PERIOD		CHANGE	
	31.03.2021	31.03.2020	ABSOLUTE	%
Net interest income	115.827	91.416	24.411	26,7%
Net commission income	18.767	21.097	(2.330)	(11,0)%
Other components of net banking income	3.135	(6.561)	9.696	(147,8)%
Net banking income	137.729	105.952	31.777	30,0%
Net credit risk losses/reversals	(16.102)	(18.512)	2.410	(13,0)%
Net profit (loss) from financial activities	121.627	87.440	34.187	39,1%
Administrative expenses:	(86.234)	(72.549)	(13.685)	18,9%
a) personnel expenses	(33.779)	(32.029)	(1.750)	5,5%
b) other administrative expenses	(52.455)	(40.520)	(11.935)	29,5%
Net allocations to provisions for risks and charges	(7.421)	(4.889)	(2.532)	51,8%
Net impairment losses/reversals on property, plant and equipment and intangible assets	(4.413)	(4.039)	(374)	9,3%
Other operating income/expenses	6.800	7.978	(1.178)	(14,8)%
Operating costs	(91.268)	(73.499)	(17.769)	24,2%
Gains (Losses) on disposal of investments	-	24.161	(24.161)	(100,0)%
Pre-tax profit (loss) from continuing operations	30.359	38.102	(7.743)	(20,3)%
Income taxes for the period relating to continuing operations	(9.590)	(11.660)	2.070	(17,8)%
Profit (loss) for the period	20.769	26.442	(5.673)	(21,5)%
Profit (Loss) for the period attributable to non-controlling interests	648	16	632	n.s.
Profit (loss) for the period attributable to the Parent Company	20.121	26.426	(6.305)	(23,9)%

Own funds and capital adequacy ratios

OWN FUNDS AND CAPITAL ADEQUACY RATIOS (in thousands of Euro)	AMOUNTS AT	
	31.03.2021	31.12.2020
Common Equity Tier 1 Capital (CET1)	1.051.021	1.038.715
Tier 1 Capital (T1)	1.105.665	1.091.858
Total Own Funds	1.382.291	1.366.421
Total RWAs	8.932.891	9.203.971
Common Equity Tier 1 Ratio	11,77%	11,29%
Tier 1 Capital Ratio	12,38%	11,86%
Ratio – Total Own Funds	15,47%	14,85%

Common Equity Tier 1, Tier 1 Capital, and Total Own Funds at 31 March 2021 do not include the profits generated by the Banking Group in the first three months of 2021.

PRESS RELEASE
RESULTS FOR THE FIRST THREE MONTHS OF 2021

OWN FUNDS AND CAPITAL ADEQUACY RATIOS: BANCA IFIS BANKING GROUP SCOPE (in thousands of Euro)	AMOUNTS AT	
	31.03.2021	31.12.2020
Common Equity Tier 1 Capital (CET1)	1.425.407	1.422.796
Tier 1 Capital (T1)	1.427.184	1.424.610
Total Own Funds	1.829.995	1.827.409
Total RWAs	8.923.965	9.194.733
Common Equity Tier 1 Ratio	15,97%	15,47%
Tier 1 Capital Ratio	15,99%	15,49%
Ratio – Total Own Funds	20,51%	19,87%

Common Equity Tier 1, Tier 1 Capital, and Total Own Funds at 31 March 2021 do not include the profits generated by the Banking Group in the first three months of 2021.

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Numero di Pagine: 14