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MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

PRESS RELEASE

BOARD APPROVES CONSOLIDATED RESULTS AS AT 30 JUNE 2023

THIRD CONSECUTIVE QUARTER OF NET PROFIT GROWTH WITH A TRIPLE-DIGIT RESULT, STRONG ORGANIC CAPITAL GENERATION AND SUSTAINABLE VALUE CREATION

2Q23 NET PROFIT OF EUR 383 MILLION (+62.6% Q/Q), BRINGING THE TOTAL FOR 1H23 TO EUR 619 MILLION, AROUND 12 TIMES THE NET PROFIT FOR 1H22 (EUR 53 MILLION)

FULLY LOADED CET1 RATIO OF 15.9%, INCREASING BY OVER 90 BASIS POINTS Q/Q, POSITIONING THE BANK'S CAPITAL STRENGTH AT THE TOP OF THE SYSTEM; BUFFER OF MORE THAN 500 BASIS POINTS ON TIER 1 RATIO REQUIREMENT

ACCELERATION OF OPERATING PERFORMANCE THANKS TO CONSOLIDATION OF COMMERCIAL ACTIVITIES, WITH CORE REVENUES[1] IN 2Q23 UP BY +9.6% Q/Q, DRIVEN BY BOTH NET INTEREST INCOME (+14.6%Q/Q) AND FEES AND COMMISSIONS (+2% Q/Q)

1H23 GROSS OPERATING PROFIT FOR EUR 937 MILLION (+95.9% Y/Y) WITH 2Q23 STRONG CONTRIBUTION OF EUR 523 MILLION (+26.3% Q/Q)

OPERATIONAL EFFICIENCY CONTINUES TO IMPROVE, WITH A COST REDUCTION OF -3.3% IN 2Q23 AND 14.9% IN 1H23, DRIVEN BY BOTH; SAVINGS IN HR COSTS FOLLOWING THE EXIT OF >4,000 FTEs ON 1ST DECEMBER 2022 AND THE DECREASE OF OTHER EXPENSES

COST/INCOME IN 1H23 AT 49% IS ALREADY BELOW THE 2026 PLAN TARGET, AN IMPROVEMENT COMPARED TO THE FIRST QUARTER AND SIGNIFICANTLY LOWER THAN THE 69% IN JUNE 2022

TOTAL COMMERCIAL FUNDING[2] UP (+0.9% Q/Q, +2.2% VS. 2022 YEAR-END), WITH HIGHER SHARE OF ASSETS UNDER CUSTODY; LOANS LARGELY STABLE COMPARED TO 2022 YEAR-END

[1] Net interest income and fees.
[2] Direct and indirect funding.

PRESS RELEASE

YESTERDAY FINALIZED THE SALE OF A FURTHER PACKAGE OF NPEs, WITH A GROSS BOOK VALUE OF APPROXIMATELY EUR 230 MILLION. ITS IMPACT IS ALREADY REFLECTED IN THE HALF-YEAR FINANCIAL DATA

2Q23 COST OF RISK AT 51 BASIS POINTS, BRINGING THE 1H23 COST OF RISK TO 54 BASIS POINTS, IN LINE WITH THE 2023 GUIDANCE

GROSS NPEs PROFORMA POST-DISPOSAL AT EUR 3.2 BILLION:

- **GROSS PRO FORMA NPE RATIO AT 4% (4.2% AT 2022 YEAR END)**
- **NET PRO FORMA NPE RATIO AT 2.1% (2.2% AT 2022 YEAR END)**
- **TOTAL PRO FORMA NPE COVERAGE AT 49.8%, +170 BASIS POINTS VS. DECEMBER 2022**

SOLID LIQUIDITY POSITION CONFIRMED EVEN AFTER EUR 11 BILLION OF TLTRO REIMBURSMENT: UNENCUMBERED COUNTERBALANCING CAPACITY OVER EUR 26 BILLION, LCR >180%, NSFR >130%

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Siena, 4 August 2023 – The Board of Directors of Banca Monte dei Paschi di Siena S.p.A. (the "Bank"), which was concluded yesterday evening under the chairmanship of Nicola Maione, has reviewed and approved the consolidated results as at 30 June 2023.

Group profit and loss results as at 30 June 2023

The **Group's total revenues** as at 30 June 2023 stand at **EUR 1,851 million**, an increase of 19.2% compared to the same period of the previous year.

Revenues for the second quarter of 2023 are up from the previous quarter (+10.6%), driven by higher net interest income (+14.6%) and net fee and commissions (+2.0%).

Net interest income as at 30 June 2023 stands at **EUR 1,083 million**, a significant increase compared to the same period in 2022 (+64.4%). The increase was mainly driven by (i) the higher contribution of the commercial segment, which benefited from higher interest income on loans, generated by higher interest rates, only partly reduced by higher interest expenses on deposits; (ii) the greater contribution from the securities portfolio, as a result of higher yields. On the other hand, the contribution from transactions with central banks is down compared with the previous year, going from a total amount of EUR 97 million in 1H22 to EUR -68 million in 1H23, following the monetary policy decisions taken by the ECB, which led to an increase in the reference rates and certain changes since 23 November 2023, to the terms and conditions of the existing

TLTRO III auctions. The cost of market funding also increased, mainly as a result of rising interest rates.

Net interest income for the second quarter of 2023 is also up from the previous quarter (+14.6%), thanks to an increased contribution from commercial lending (which continued to benefit from the rise in interest rates), combined with a careful management of funding costs. The positive quarterly trend in net interest income was also supported by the reduction in the net cost of transactions with central banks thanks to the higher benefit on deposited liquidity (EUR 131 million in 2Q23 compared to EUR 87 million in the previous quarter), partially offset by higher interest expenses on TLTRO auctions (EUR 144 million in 2Q23 and EUR 140 million in 1Q23, respectively) and the cost of MRO auctions (EUR 2 million in 2Q23).

Net fees and commissions as at 30 June 2023, amounting to **EUR 670 million**, show a differentiated dynamic between the various components. Banking commissions[3] are almost stable (EUR 377 in the first half of 2023 compared to EUR 379 million in the first half of 2022), excluding third-party loan intermediation fees, the latter being impacted by the development of the internal consumer finance factory, started last year. Wealth management fees[4] (-13.9%) were affected by lower commissions, in particular up-front fee on assets under management, only partially offset by higher fees on securities services due to renewed customer interest in fixed-rate investments (mainly government bonds).

Net fee and commission income for the second quarter of 2023 is up on the previous quarter (+2.0%), thanks to the contribution from banking fees. Wealth management fees decreased, with the decline in placement fees only partially offset by the increase in continuing fees.

Dividends, similar income and profit (loss) on investments amount to **EUR 53 million,** increasing by EUR 2 million compared to 30 June 2022. The result for the second quarter of 2023 was up on the previous quarter (+ EUR 16 million), thanks to the higher income from the AXA participated companies and higher dividend income.

Net profit (loss) from trading, financial assets/liabilities measured at fair value and gains from disposals/repurchases as at 30 June 2023 amounts to **EUR 47 million**, down by EUR 35 million compared to the values recorded in the same period last year which included gains on the sale of securities for EUR 49 million, and with a contribution from 2Q23 down by EUR 3 million compared to the previous quarter.

As at 30 June 2023 **operating expenses** amount to **EUR 914 million**, are lower by -14.9% compared to the first half of 2022, also thanks to further reduction in the second quarter of 2023 by -3.3%. An analysis of the individual aggregates shows that:

- **HR costs**, amounting to **EUR 574 million**, are down by -19.4% year-on-year, having benefitted from the downward headcount trend, mainly relating to exits through the Early Retirement Scheme or access to the Solidarity Fund in December 2022, under the trade

[3] Including "protection".
[4] Excluding "protection".

union agreement of 4 August 2022. The 2Q23 HR costs remain largely stable compared to the previous quarter;

- **other administrative expenses**, amounting to **EUR 253 million**, are down compared to 30 June 2022 by -5.6% and are lower by -10.5% quarter-on-quarter thanks to the implementation of a rigorous cost management process;
- **net value adjustments on property, plant and equipment and intangible assets** amount to **EUR 87 million** as at 30 June 2023 and are down from 30 June 2022 by -7.9%, also thanks to further reduction by -1.1% in the 2Q23.

As a result of the above trends, the Group's **gross operating profit** amounts to **EUR 937 million,** up by +95.9% from 30 June 2022, supported by the 2Q23 contribution of EUR 523 million (+26.3% q/q).

Loan loss provisions booked by the Group as at 30 June 2023 amount to **EUR 205 million**, down from the EUR 225 million reported in the same period previous year. The 2Q23 contribution shows a decrease compared to the previous quarter (-8.9%), despite a further increase of overlays.

As at 30 June 2023, the ratio between the annualised loan loss provisions and the sum of customer loans plus the value of securities from the disposal/securitisation of NPEs reflects a stable trend with a **cost of risk of 54 bps** (55 bps as at 31 March 2023 and 31 December 2022).

The Group's **net operating profit** as at 30 June 2023 shows a balance **of EUR 734 million**, compared to a result of EUR 255 million in the first half of 2022. The 2Q23 contribution of EUR 426 million is up by +37.9% from the previous quarter.

The following items also contribute to the **result for the period**:

- **other net provisions for risks and charges** amounting to **EUR -2 million**, in the first half, compared to the same period of the previous year. The 2Q23 contribution is higher by EUR 11 million compared to the previous quarter;
- **other gains (losses) on investments** amounting to **EUR -1 million** compared to a profit of EUR 1 million recognised in the first half of the previous year. The 2Q23 contribution improved by EUR 2 million compared to the previous quarter;
- **restructuring costs/one-off charges** totalling **EUR 4 million,** compared to a contribution of EUR -3 million in the first half of 2022. The contribution in 2Q23 is positive for EUR 9.7 million;
- **risks and charges related to SRF, DGS and similar schemes,** totalling **EUR -59 million,** consisting of the Group's contribution due to the Single Resolution Fund (SRF) booked in the first quarter of 2023, down from the EUR -89 million booked in the same period of the previous year;
- **DTA fees**, totalling **EUR -31 million**, remain largely unchanged year-on-year; the 2Q23 contribution is in line with the previous quarter. The amount, calculated according to the criteria of Law Decree 59/2016 converted into Law No. 119 of 30 June 2016,

consists of the fees due as at 30 June 2023 for DTAs (Deferred Tax Assets) which are convertible into tax credits;

- **net gains (losses) on property, plant and equipment and intangible assets measured at fair value,** amounting to **EUR -29 million** (fully recorded in 2Q23), following the periodic revaluation of real estate compared to the contribution of EUR -11 million recognised in the same period of 2022;
- **gains (losses) on disposal of investments, contributing essentially zero** in both quarters of 2023, slightly down from the amount recorded in the first half of 2022 (gain of EUR 0.8 million).

As a result of the above trends, the Group's **pre-tax profit for the period** amounts to **EUR 615 million**, up from the pre-tax profit of EUR 44 million recorded in the corresponding period of 2022. Profit for the second quarter of 2023 amounts to EUR 395 million, up from EUR 220 million in the previous quarter.

Taxes on profit (loss) from continuing operations register a positive contribution of **EUR 4 million** (EUR +9 million as at 30 June 2022), largely due to the valuation of DTAs net of tax relating to the 1H P&L result.

As a result of the above trends, the **Parent Company's profit for the period amounts to EUR 619 million** as at 30 June 2023, almost twelve times the net result achieved in the first half of 2022 for EUR 53 million. The result for the second quarter (amounting to EUR +383 million) is up by +62.6% on the previous quarter (amounting to EUR +236 million).

Group balance sheet aggregates as at 30 June 2023

The Group's **total funding** volumes as at 30 June 2023 amount to **EUR 178.8 billion,** up EUR 1.0 billion from 31 March 2023 mainly as a result of the increase in indirect funding (EUR +0.9 billion). Direct funding remains largely stable (EUR +0.1 billion).

The aggregate registers also an upturn compared to 31 December 2022 (EUR +4.4 billion) thanks to the increase both in direct funding (EUR +2.1 billion) and indirect funding (EUR +2.3 billion).

Direct funding volumes stand at **EUR 84.1 billion**, in line vs. the end of March 2023 (EUR +0.1 billion). The increase in repurchase agreements (EUR +0.6 billion) more than offsets the decrease registered for current accounts (EUR -0.5 billion), while time deposits, bonds and other forms of funding are stable.

The aggregate is up compared to 31 December 2022 (EUR +2.1 billion). The decline in current accounts (EUR -2.8 billion) and other forms of funding (EUR -0.1 billion), following the ongoing measures to optimise the cost of funding and the increased investor appetite in assets under custody, is more than offset by higher volumes of repurchase agreements (EUR +3.8 billion). An increase is also registered for time deposits (EUR +0.4 billion) and bonds (EUR +0.8 billion), the latter following the placement of a EUR 750 million senior preferred bond in the first quarter of 2023.

Commercial indirect funding[5], equal to **EUR 83.7 billion**, are up by EUR 1.9 billion compared to 31 March 2023, thanks to the growth in both assets under custody (EUR +1.6 billion) and assets under management (EUR +0.3 billion). The trend in assets under custody was driven by positive net flows from renewed customer interest in government bonds, partly as a result of the rise in yields. Assets under management, on the other hand, benefitted from the positive market effect.

The comparison with 31 December 2022 shows an increase in commercial indirect funding of EUR 5.6 billion, thanks to the increase in both assets under custody (EUR +4.5 billion), mainly government bonds, and assets under management (EUR +1.1 billion).

As at 30 June 2023, the Group's **customer loans** amount to **EUR 76.1 billion**, down from 31 March 2023 (EUR -1.7 billion), mainly due to the decline in mortgages (EUR -0.9 billion), which was affected by the repayments at the end of the first half of the year and the slowdown in demand for residential mortgages due to the increased level of interest rates; there is also a reduction in repurchase agreements (EUR -0.6 billion) and current accounts (EUR -0.3 billion). On the other hand, other forms of lending register a slight increase (EUR +0.1 billion) while non-performing loans remain largely stable.

In the comparison with 31 December 2022, the aggregate is slightly down (EUR -0.2 billion). The decrease in mortgages (EUR -1.2 billion) was in fact only partially offset by the increase in other forms of lending (EUR +0.7 billion), repurchase agreements (EUR + 0.2 billion) and current accounts (EUR +0.2 billion).

On 3 August 2023, the Bank has signed an agreement for the disposal of NPEs for a gross book value of approximately EUR 230 million to a group of Italian and foreign institutional investors. The deconsolidation of the loans is expected by year-end.

Factoring in the disposal on a pro-forma basis, the **Group's total amount of non-performing customer loans** as at 30 June 2023 stand at **EUR 3.2 billion** in terms of gross exposure, down compared to 31 March 2023 and 31 December 2022.

Likewise, the **Group's net non-performing customer loans** on a pro-forma basis as at 30 June 2023 stand at **EUR 1.6 billion**, at the same level as at 31 March 2023 and down compared to 31 December 2022.

As at 30 June 2023, the pro-forma **coverage of non-performing loans** stands at **49.8%,** increasing versus 31 December 2022 (48.1%) with a coverage of bad loans at 65.2%, UTPs at 41.5% and past due NPLs at 21.8%.

As at 30 June 2023, the Group's **securities assets** amount to **EUR 19.6 billion**, up by EUR 0.9 billion compared to 31 March 2023, largely as a result of the growth in financial assets held for trading, which was mainly related to market-making activities on government bonds; the amortised cost component is also up (EUR +0.2 billion), as a result of purchases of Italian

[5] Managerial data.

government bonds in 2Q 2023 against maturities in the first half of the year, while the other components remain largely stable.

The aggregate is up by EUR +1.2 billion compared to 31 December 2022 mainly as a result of the increase in the trading component related to market-making activity on Italian government bonds (by EUR +1.4 billion). The amortised cost component is also higher (EUR +0.5 billion) as a result of purchases of government bonds, which partially offset the maturities recorded in financial assets measured at fair value through other comprehensive income (EUR -0.7 billion).

The Group's **net interbank position** as at 30 June 2023 stands at **EUR 3.2 billion** in funding, against EUR 4.5 billion in funding as at 31 March 2023 and EUR 7.0 billion in funding as at 31 December 2022. The decrease from the previous quarter is mainly due to transactions with central banks. The decrease in funding, due to the maturity on 28 June 2023, of the TLTRO tranche obtained in the June 2020 auction of EUR 11 billion (TLTRO auctions as at 30 June 2023 stand at EUR 8.5 billion), has been only partially offset by MRO auctions for around EUR +7 billion and lower liquidity deposited with central banks (EUR -2.5 billion on the Depo Facility).

The decrease compared to the end of the previous year also relates to central bank funding, which essentially reflects the dynamics described above.

The operational liquidity position as at 30 June 2023 shows an **unencumbered counterbalancing capacity of approximately EUR 26.2 billion**, up from both 31 March 2023 (EUR 25.1 billion) and 31 December 2022 (at EUR 25.5 billion).

As at 30 June 2023, the **Group's shareholders' equity and non-controlling interests** amount to approximately **EUR 8.5 billion,** up EUR 371 million from 31 March 2023, mainly as an effect of the positive result recorded in the quarter.

Compared to 31 December 2022, the Group's shareholders' equity and non-controlling interests register an increase of EUR 0.6 billion, again largely due to the financial results achieved in the first half of 2023.

As regards capital ratios, the **Common Equity Tier 1 Ratio** stands at **15.9%**[6] as at 30 June 2023 (vs. 14.4% as at 31 March 2023 and 16.6% as at 31 December 2022) and the **Total Capital Ratio** stands at **19.4%**[7] (vs. 18.0% as at 31 March 2023 and 20.5% as at 31 December 2022). The change compared to 31 March 2023 is largely due to organic capital generation.

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In line with its commitment to the sustainable transition of the global economy towards the goal of zero emissions by 2050, Banca Monte dei Paschi di Siena has also set ambitious targets for the reduction of financed emissions by 2030 in the Power Generation, Iron & Steel and Oil & Gas sectors, representing over 60% of Financed Emissions[8] and 30% of exposures in the

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[6] Common Equity Tier 1 Ratio includes the profit for the period, the calculation of which is subject to ECB authorisation

[7] Total Capital Ratio includes the profit for the period, the calculation of which is subject to ECB authorisation

[8] 60% of financed emissions is calculated using Scope 1, 2 and 3 of the NZBA carbon-intensive sectors as denominator with the exception of Power Generation,and Iron & Steel for which Scope 3 was excluded.

carbon-intensive sectors identified by the NZBA[9], with a 40% average reduction of financed emission.

The NZBA reduction targets announced today are the result of a year of remarkable growth in our sustainable development journey, and confirm the Bank's strong commitment, as set out in the 2022-26 Business Plan, to consolidate its role in supporting the transition and decarbonisation of the real economy. Important measures are being developed to define specific credit guidelines, alongside the offer of "green finance" and targeted partnerships, to continue to support all businesses and customers on their decarbonisation journey and deliver on our Net Zero by 2050 commitment.

Pursuant to paragraph 2, article 154-bis of the "Consolidated Finance Act", the Financial Reporting Officer, Nicola Massimo Clarelli, declares that the accounting information contained in this press release corresponds to the documentary results, books and accounting records.

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This press release will be available at www.gruppomps.it

For further information:

Media Relations	**Investor Relations**
Tel. +39 0577 296634	Tel: +39 0577 299350
ufficio.stampa@mps.it	*investor.relations@mps.it*

Image Building

Cristina Fossati, Anna Pirtali
Tel +39 02 89011300
mps@imagebuilding.it

[9] Net Zero Banking Alliance

Income statement and balance sheet reclassification principles

Provided below are the balance sheet and income statement accounts reclassified on the basis of operating criteria, in order to provide information on the Group's general performance based on P&L-financial data that can be rapidly and easily determined.

Information is provided below on the aggregations and main reclassifications systematically made with respect to the financial statements, as provided for by Circular no. 262/05, in compliance with the requirements of Consob communication no. 6064293 of 28 July 2006.

As of 1 January 2023, the insurance associates AXA MPS Assicurazioni Danni S.p.A. and AXA MPS Assicurazioni Vita S.p.A. simultaneously and for the first time applied the new accounting standard IFRS 17 "Insurance Contracts", which became effective on 1 January 2023, and the accounting standard IFRS 9 "Financial Instruments". The date of transition is identified as the beginning of the financial year immediately preceding the first date of application (i.e. 1 January 2022).

The P&L and balance sheet figures as at 30 June 2022 and 31 December 2022 relating to the value of the investees, recognised in the MPS Group's financial statements using the synthetic equity method, have therefore been restated compared to the data published at the respective reporting dates in order to ensure a like-for-like comparison. The restatement of the comparative income statement and balance sheet data referring to the first and third quarters of 2022 has been estimated as it was not possible to restate the specific retroactive effects in these periods in a precise manner. The balance sheet and profit and loss figures of the insurance associates for the first quarter of 2023 are estimated using simplified proxies or calculation models due to the increased complexity of the accounting calculations compared to those under the previous IFRS 4 and IAS 39 accounting standards.

It should be noted that the following reclassifications will no longer be applied as of the first quarter of 2023, given the immateriality of the items concerned in the first case and a more precise and accurate performance analysis in the second:

- the economic effects of Purchase Price Allocation (PPA) of past business combinations, which had an impact on the items "net interest income", "net adjustments to property, plant and equipment and intangible assets" and "tax on income for the period", are no longer allocated to the specific item (PPA) but remain in the relevant P&L items;
- rental income previously reclassified to "net adjustments to property, plant and equipment and intangible assets" remains in "other operating income (expense)".

The comparative periods have been restated in order to allow for a like-for-like comparison.

It should also be noted that, as of December 2022, the amounts relating to reimbursements of interest and fees to customers in previous years - for which provisions for risk and charges were recognised as an offsetting entry to the aforementioned P&L items - have been reclassified to "other net provisions for risks and charges". This reclassification has also been adopted for the comparative periods in order to enable a like-for-like comparison.

Finally, personnel expenses related to the Staff Exits/Solidarity Fund scheme and the consequent reorganisation of the central and network coordination structures, which began in November 2022, are included under the item 'Restructuring costs/one-off charges'.

It should be noted that the independent auditors are in the process of completing the limited audit of the condensed half-year consolidated financial statements, as well as the activities aimed at issuing the certificate required by Article 26 (2) of European Union Regulation No. 575/2013 and European Central Bank Decision No. 2015/656.

Reclassified income statement

The reconciliation criteria adopted for the preparation of the reclassified income statement are as follows:

- Item **"interest income"** was cleared of the portion relating to customer reimbursements in the amount of EUR -0.2 million - for which provisions had been set aside - which was reclassified to the item "other net provisions for risks and charges".
- Item **"net fees and commissions"** includes item 40 "fee and commission income", cleared of the portion relating to the release of provisions set aside for customer reimbursements in previous financial years (EUR 3.5 million), which was reclassified to "other net provisions for risks and charges", and item 50 "fee and commission expense".
- Item **"dividends, similar income and gains (losses) on investments"** incorporates item 70 "dividends and similar income" and the share of profit for the period contributed by investments in the associate AXA, equal to EUR 41.9 million, included under item 250 "gains (losses) on investments". The aggregate was furthermore cleared of dividends earned on securities other than equity investments (EUR 4.5 million), reclassified under "net profit (loss) from trading, financial assets/liabilities measured at fair value and gains from disposals/repurchases".
- Item **"net profit (loss) from trading, financial assets/liabilities measured at fair value and gains from disposals/repurchases"** includes item 80 "net profit (loss) from trading", item 100 "gains (losses) on disposals/repurchases", adjusted for the contribution of customer loans (EUR -0.2 million) and 110 "net profit (loss) on financial assets measured at fair value through profit and loss", net of the contribution of loans to customers (EUR -0.6 million) and securities from the disposals/securitisations of NPLs

(EUR +5.7 million) reclassified under "loan loss provisions". The item also includes dividends earned on securities other than equity investments (EUR +4.5 million).

- Item **"net income from hedging"** includes item 90 "net income from hedging".
- Item **"other operating income (expense)"** includes item 230 "other operating expenses (income)" net of stamp duty and other expenses recovered from customers, which are stated under the reclassified item "other administrative expenses" (EUR 95.6 million).
- Item **"personnel expenses"** includes the balance of item 190a "personnel expenses" from which net positive components of EUR 13.8 million have been separated and reclassified under "restructuring costs/one-off charges".
- Item "**other administrative expenses"** includes the balance of item 190b "other administrative expenses", reduced by the following cost items:
    - expenses, amounting to EUR 58.6 million, resulting from the EU Deposit Guarantee Schemes Directive – hereinafter DGSD – and Bank Recovery and Resolution Directive – hereinafter BRRD – for the resolution of bank crises, reclassified under "risks and charges associated with SRF, DGS and similar schemes";
    - fee on DTAs convertible into tax credits, for EUR 31.5 million, reclassified under the item "DTA fees";
    - charges of EUR 10.2 million, relating to activities aimed at implementing the commitments undertaken with DG Comp, reclassified under item "restructuring costs/one-off charges".

  The item also incorporates stamp duty and other expenses recovered from clients (EUR 95.6 million) posted under item 230 "other operating expenses/income".
- Item **"net value adjustments to property, plant and equipment and intangible assets"** includes the amounts from items 210 "net adjustments to/recoveries on property, plant and equipment" and 220 "net adjustments to/recoveries on intangible assets".
- Item **"loan loss provisions"** includes the income statement components relating to loans to customers under item 100A "gains (losses) on disposal/repurchase of financial assets measured at amortised cost" (EUR -0.2 million), 100b "net profit (loss) on financial assets and liabilities measured at fair value" (EUR -0.6 million), 130a "net value losses/reversals for credit risk on financial assets measured at amortised cost" (EUR -201.6 million), 140 "modification gains/(losses) without derecognition" (EUR -0.3 million) and 200a "net provisions for risks and charges for commitments and guarantees issued" (EUR -7.9 million). The item also includes the P&L components relating to securities from disposal/securitisations of NPEs recognised under 110b "net profit (loss) on other assets financial assets measured at fair value" (EUR +5.7 million).
- Item **"net value adjustments on impairment of securities and bank loans"** includes the portion relating to securities (EUR +0.1 million) and loans to banks (EUR +0.7 million) under item 130a "net losses/reversals for credit risk on financial assets measured at

amortised cost" and item 130b "net losses/reversals for credit risk on financial assets measured at fair value through other comprehensive income".

- Item **"other net provisions for risks and charges"** includes item 200 "net provisions for risks and charges" reduced by the component relating to loans to customers in item 200a "net provisions for risks and charges on commitments and guarantees issued" (EUR -7.9 million), which has been reclassified to the specific item "loan loss provisions". The item also includes customer reimbursements in previous financial years recognised under "net interest income" for EUR -0.2 million and under "fee and commission income" for EUR +3.5 million.
- Item **"profit (loss) on equity investments"** incorporates the balance of item 250 "profits (losses) on equity investments" reduced by the portion of the profit on the connected equity investments in AXA, equal to EUR 41.9 million reclassified under "dividends, similar income and gains (losses) on investments".
- Item **"restructuring costs/one-off charges"** includes the following amounts:
  - positive components of EUR 14.9 million, relating to exits through the early-retirement or the Solidarity Fund scheme, posted under item 190a "personnel expenses";
  - costs of EUR 1.1 million, relating to exits through the early-retirement /Solidarity Fund scheme and the consequent reorganisation of the central and network coordination structures that began in November 2022, posted under item 190a "personnel expenses";
  - charges of EUR 10.2 million, relating to project activities, including those aimed at implementing the commitments undertaken with DG Comp, posted under item 190b "other administrative expenses".
- Item **"risks and charges related to the SRF, DGS and similar schemes"** includes the charges deriving from the EU's Deposit Guarantee Schemes Directive (DGSD) and Bank Recovery and Resolution Directive (BRRD), equal to EUR 58.6 million, posted under item 190b "other administrative expenses".
- Item **"DTA fees"** contains the costs relating to the fees on DTAs which are convertible into tax credits, provided for by art. 11 of Law Decree no. 59 of 3 May 2016 converted

into Law no. 119 of 30 June 2016, booked under item 190b "Other Administrative Expenses" for EUR 31.5 million.

- Item **"net gains (losses) on property, plant and equipment and intangible assets measured at fair value"** includes the balance of item 260 "net gains (losses) on property, plant and equipment and intangible assets measured at fair value".
- Item **"gains (losses) from disposal of investments"** includes the balance of item 280 "Gains (losses) from disposal of investments".
- Item "**tax expense (recovery) on income**" includes the balance of item 300 "tax expense/recovery on income from continuing operations".

Reclassified balance sheet

The reconciliation criteria adopted for the preparation of the reclassified balance sheet are as follows:

- Asset item **"loans to central banks"** includes the portion relating to transactions with central banks under balance sheet item 40 "financial assets measured at amortised cost".
- Asset item **"loans to banks"** includes the portion relating to transactions with banks under balance sheet items 40 "financial assets measured at amortised cost" and 20 "financial assets measured at fair value through profit and loss" and 120 "non-current assets held for sale and discontinued operations".
- Asset item **"loans to customers"** includes the portion relating to loans to customers under balance sheet items 20 "financial assets measured at fair value through profit and loss", 40 "financial assets measured at amortised cost" and 120 "non-current assets held for sale and discontinued operations".
- Asset item **"securities assets"** includes the portion relating to securities under balance sheet items 20 "financial assets measured at fair value through profit and loss", 30 "financial assets measured at fair value through other comprehensive income", 40 "financial assets measured at amortised cost" and 120 "non-current assets held for sale and discontinued operations".
- Asset item **"derivatives"** includes the portion relating to derivatives under items 20 "financial assets measured at fair value through profit and loss" and 50 "hedging derivatives".
- Asset item **"equity investments"** includes balance sheet item 70 "equity investments" and the portion relating to equity investments under item 120 "non-current items held for sale and discontinued operations".
- Asset item **"tangible and intangible assets"** includes balance sheet items 90 "property, plant and equipment", 100 "intangible assets" and the amounts relating to property, plant

and equipment and intangible under item 120 “non-current assets held for sale and discontinued operations”.

- Asset item **“other assets”** includes balance sheet items 60 “change in value of macro-hedged financial assets”, 130 “other assets” and the amounts under item 120 “non-current assets held for sale and discontinued operations” not reclassified under the previous items.
- Liability item **“deposits from customers”** includes balance sheet item 10b “financial liabilities measured at amortised cost – deposits from customers” and the component

relating to customer securities of item 10c "financial liabilities measured at amortised cost – debt securities issued".

- Liability item **"securities issued"** includes balance sheet items 10c "financial liabilities measured at amortised cost – debt securities issued", cleared of the component relating to customer securities, and 30 "Financial liabilities designated at fair value".
- Liability item **"deposits from central banks"** includes the portion of balance sheet item 10a "Financial liabilities valued at amortised cost - deposits from central banks" relating to transactions with central banks.
- Liability item **"deposits from banks"** includes the portion of balance sheet item 10a "financial liabilities valued at amortised cost – deposits from banks" relating to transactions with banks (excluding central banks).
- Liability item **"financial liabilities held for cash trading"** includes the portion of balance sheet item 20 "financial liabilities held for trading" net of the amounts relating to trading derivatives.
- Liability item **"derivatives"** includes balance sheet item 40 "hedging derivatives" and the portion relating to derivatives under item 20 "financial liabilities held for trading".
- Liability item **"provisions for specific use"** includes balance sheet items 90 "provision for employee severance pay" and 100 "provisions for risks and charges".
- Item **"other liabilities"** includes balance sheet items 50 "changes in value of macro-hedged financial liabilities", 70 "liabilities associated with non-current assets held for sale and discontinued operations" and 80 "other liabilities".
- Liability item **"group net equity"** includes balance sheet items 120 "valuation reserves", 130 "redeemable shares", 150 "reserves", 170 "capital", 180 "treasury shares" and 200 "profit (loss) for the period".

INCOME STATEMENT AND BALANCE SHEET FIGURES			
MONTEPASCHI GROUP			
INCOME STATEMENT FIGURES (EUR mln)	30 06 2023	30 06 2022**	Chg.
Net interest income	1,082.8	658.5	64.4%
Net fee and commission income	670.0	728.9	-8.1%
Other income from banking business	100.3	141.4	-29.1%
Other operating income and expenses	(1.9)	23.9	n.m.
Total Revenues	1,851.2	1,552.8	19.2%
Operating expenses	(913.8)	(1,074.4)	-14.9%
Cost of customer credit	(204.9)	(224.9)	-8.9%
Other value adjustments	1.6	1.7	-5.9%
Net operating income (loss)	734.1	255.2	n.m.
Non-operating items	(118.8)	(211.1)	-43.7%
Parent company's net profit (loss) for the period	619.0	53.1	n.m.
EARNINGS PER SHARE (EUR)	30 06 2023	30 06 2022***	Chg.
Basic earnings per share	0.491	5.295	-90.7%
Diluted earnings per share	0.491	5.295	-90.7%
BALANCE SHEET FIGURES AND INDICATORS (EUR mln)	30 06 2023	31 12 2022	Chg.
Total assets*	120,801.1	120,235.3	0.5%
Loans to customers	76,056.0	76,265.3	-0.3%
Direct funding	84,142.3	81,997.6	2.6%
Indirect funding	94,704.3	92,420.7	2.5%
of which: assets under management	56,867.1	57,733.6	-1.5%
of which: assets under custody	37,837.1	34,687.1	9.1%
Group net equity*	8,499.5	7,860.1	8.1%
OPERATING STRUCTURE	30 06 2023	31 12 2022	Chg.
Total headcount - end of period	16,843	17,020	(177)
Number of branches in Italy	1,362	1,362	n.s.

** The balance sheet figures as at 31 December 2022 have been restated compared to the data published at the reporting date, following the retrospective application of the new IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" by the insurance associates.*

*** The P&L figures as at 30 June 2022 have been restated compared to those published at the reporting date, not only due to the aforementioned change in accounting policy for insurance associates, but also to take account of the (i) discontinuation of reclassifications to PPA and rental income and (ii) introduction of the reclassification to "other net provisions for risks and charges" of interest and commission repayments to customers relating to previous years, for which provisions for risks and charges had been made as an offsetting entry to the above P&L items.*

**** Earnings per share and diluted earnings per share as at 30 June 2022 have been restated compared to those published at the reporting date, not only due to the aforementioned change in accounting policy for insurance associates, but also to take account of the reverse stock split of the Parent Company's ordinary shares in the ratio of 1 ordinary share for every 100 ordinary shares held, which took place on 26 September 2022 in execution of the resolution of the Parent Company's Extraordinary Shareholders' Meeting on 15 September 2022.*

ALTERNATIVE PERFORMANCE MEASURES			
MONTEPASCHI GROUP			
PROFITABILITY RATIOS (%)	30 06 2023	31 12 2022	Chg.
Cost/Income ratio**	49.4	67.6	-18.2
ROE (on average equity)*	15.1	(2.5)	17.6
Return on Assets (RoA) ratio	1.0	(0.1)	1.1
ROTE (Return on tangible equity) *	15.4	(2.6)	18.0
CREDIT QUALITY RATIOS (%)	30 06 2023	31 12 2022	Chg.
Net NPE ratio	2.1	2.2	-0.1
Gross NPL ratio	3.5	3.6	-0.1
Rate of change of non-performing loans to customers	(3.4)	(19.6)	16.2
Bad loans to custormers/ Loans to Customers	0.6	0.6	n.m.
Loans to customers measured at amortised cost - Stage 2/Performing loans to customers measured at amortised cost	13.6	14.9	-1.3
Coverage of non-performing loans to customers	51.5	48.1	3.4
Coverage of bad loans to customers	66.8	65.1	1.7
Provisioning	0.54	0.55	-0.01
Texas Ratio*	32.0	35.5	-3.5

** The figures as at 31 December 2022 have been restated compared to the data published at the reporting date, following the retrospective application of the new IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" by the insurance associates.*

*** The P&L figures as at 31 December 2022 have been restated compared to those published at the reporting date following the (i) discontinuation of reclassifications to PPAs and rental income and (ii) introduction of the reclassification to "Other net provisions for risks and charges" of interest and commission repayments to customers relating to previous years, for which provisions for risks and charges had been made as an offsetting entry to the above P&L items.*

Cost/Income ratio: ratio between operating expenses (administrative expenses and net value adjustments to property, plant and equipment and intangible assets) and total revenues (for the composition of this aggregate, see the reclassified income statement).

Return On Equity (ROE): ratio between the annualised net profit (loss) for the period and the average between the Group shareholders' equity (including profit and valuation reserves) at the end of the period and the Group shareholders' equity at the end of the previous year.

Return On Asset (ROA): ratio between the annualised net profit (loss) for the period and total assets at the end of the period**.**

Return On Tangible Equity (ROTE): ratio between annualised net profit (loss) for the period and the average between the tangible shareholders' equity[10] at the end of the year and that of the end of the period.

Gross NPL Ratio: gross weight of non-performing loans calculated, as per EBA guidelines[11], as the ratio between gross non-performing loans to customers and banks[12], net of assets held for sale, and total gross loans to customers and banks, net of assets held for sale.

Rate of change of non-performing loans to customers represents the growth rate of gross non-performing loans to customers based on the difference with stocks at the end of the year.

Coverage of non-performing loans to customers and **Coverage of bad loans to customers:** the coverage ratio on non-performing loans and bad loans to customers is calculated as the ratio between the relative loan loss provisions and the corresponding gross exposures.

Provisioning: ratio between annualised loan loss provisions and the sum of loans to customers and the value of securities from disposals/securitisations of NPLs.

Texas Ratio: ratio between gross non-performing loans to customers and the sum, in the denominator, of the related loan loss provisions and of the tangible shareholders' equity.

[10] Book value of the Group's shareholders' equity, inclusive of the profit (loss) for the period, cleared of goodwill and other intangible assets.
[11] EBA GL/2018/10.
[12] Loans to banks include current accounts and demand deposits with banks and central banks under balance sheet item "Cash and Equivalent"

REGULATORY MEASURES			
MONTEPASCHI GROUP			
CAPITAL RATIOS (%)	30 06 2023	31 12 2022	Chg.
Common Equity Tier 1 (CET1) ratio - phase in	15.9	16.6	-0.7
Common Equity Tier 1 (CET1) ratio - fully loaded	15.9	15.6	0.3
Total Capital ratio - phase in	19.4	20.5	-1.1
Total Capital ratio - fully loaded	19.4	19.5	-0.1
FINANCIAL LEVERAGE INDEX (%)	30 06 2023	31 12 2022	Chg.
Leverage ratio - transitional definition	6.2	5.8	0.4
Leverage ratio - fully phased	6.2	5.4	0.8
LIQUIDITY RATIO (%)	30 06 2023	31 12 2022	Chg.
LCR	180.5	192.3	-11.8
NSFR	133.7	134.1	-0.4
Encumbered asset ratio	30.7	31.9	-1.2
Loan to deposit ratio	90.4	93.0	-2.6
Spot counterbalancing capacity (bn of Eur)	26.2	25.5	0.7

In the determination of capital ratios, the "**phase-in**" (or "transitional") version represents the application of calculation rules according to the regulatory framework in force at the reporting date, while the "**fully loaded**" version incorporates in the calculation the rules as expected when fully operational.

Common equity Tier 1 (CET1) ratio: ratio between core capital[13] and total risk-weighted assets (RWAs)[14].

Total Capital ratio: ratio between own funds and total RWAs.

Leverage ratio: indicator calculated as the ratio between Tier 1[15] capital and total assets, introduced by Basel regulations with the objective of containing the increase in leverage in the banking sector and strengthening risk-based requirements through a different measure based on financial statement aggregates.

Liquidity Coverage Ratio (LCR): short-term liquidity indicator corresponding to the ratio between the amount of high-quality liquid assets and the total net cash outflows in the subsequent 30 calendar days subsequent to the reporting date.

Net Stable Funding Ratio (NSFR): structural 12-month liquidity indicator corresponding to the ratio between the available stable funding amount and the required stable funding amount.

Encumbered asset ratio: ratio between the book value of encumbered assets and collateral and total assets and collateral (XVII, section 1.6, point 9, of Regulation (EU) 79/2015).

Loan to deposit ratio: ratio between net loans to customers and direct funding (deposits from customers and securities issued).

Spot counterbalancing capacity: sum of items that are certain and free from any commitment that the Group can use to meet its liquidity requirements, consisting of financial and commercial assets eligible for refinancing operations with the ECB and assets granted on the collateralised interbank market and not used, to which a haircut, published on a daily basis by the ECB, is prudentially applied.

[13] Defined by Article 4 of Regulation (EU) no. 575/2013 (Capital Requirements Regulation, CRR). It consists of capital items and instruments net of the required adjustments and deductions.
[14] Risk-weighted assets: the result of the application of certain risk weights to exposures, determined according to supervisory rules.
[15] Sum of the entity's Common Equity Tier 1 (CET1) and Additional Tier 1 (AT1) capital, as defined by art. 25 of Regulation (EU) no. 575/2013.

Reclassified Consolidated Income Statement				
MONTEPASCHI GROUP	30 06 2023	30 06 2022*	Change	
			Abs.	%
Net interest income	1,082.8	658.5	424.3	64.4%
Net fee and commission income	670.0	728.9	(59.0)	-8.1%
Income from banking activities	**1,752.8**	**1,387.5**	**365.3**	**26.3%**
Dividends, similar income and gains (losses) on investments	53.1	51.2	1.9	3.7%
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	47.1	82.4	(35.3)	-42.9%
Net profit (loss) from hedging	0.1	7.8	(7.7)	-98.7%
Other operating income (expenses)	(1.9)	23.9	(25.8)	n.m.
Total Revenues	**1,851.2**	**1,552.8**	**298.4**	**19.2%**
Administrative expenses:	(827.3)	(980.5)	153.2	-15.6%
a) personnel expenses	(574.4)	(712.6)	138.3	-19.4%
b) other administrative expenses	(252.9)	(267.9)	14.9	-5.6%
Net value adjustments to property, plant and equipment and intangible assets	(86.5)	(93.9)	7.4	-7.9%
Operating expenses	**(913.8)**	**(1,074.4)**	**160.6**	**-14.9%**
Pre-Provision Operating Profit	**937.4**	**478.4**	**459.0**	**95.9%**
Cost of customer credit	**(204.9)**	**(224.9)**	**20.0**	**-8.9%**
Net impairment (losses)/reversals on securities and loans to banks	**1.6**	**1.7**	**(0.1)**	**-5.9%**
Net operating income	**734.1**	**255.2**	**478.9**	**n.m.**
Net provisions for risks and charges	(2.4)	(79.1)	76.7	-97.0%
Other gains (losses) on equity investments	(1.3)	1.2	(2.5)	n.m.
Restructuring costs / One-off costs	3.6	(3.1)	6.6	n.m.
Risks and charges associated to the SRF, DGS and similar schemes	(58.6)	(88.7)	30.1	-33.9%
DTA Fee	(31.5)	(31.4)	(0.0)	0.1%
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(28.8)	(10.8)	(18.0)	n.m.
Gains (losses) on disposal of investments	0.2	0.8	(0.6)	-75.0%
Profit (Loss) for the period before tax	**615.3**	**44.1**	**571.2**	**n.m.**
Tax (expense)/recovery on income from continuing operations	3.6	8.9	(5.3)	-59.6%
Profit (Loss) after tax	**618.9**	**53.0**	**565.9**	**n.m.**
Net profit (loss) for the period including non-controlling interests	**618.9**	**53.0**	**565.9**	**n.m.**
Net profit (loss) attributable to non-controlling interests	(0.1)	(0.1)	-	n.m.
Parent company's net profit (loss) for the period	**619.0**	**53.1**	**565.9**	**n.m.**

** The P&L figures as at 30 June 2022 have been restated compared to those published at the reporting date following the (i) discontinuation of reclassifications to PPA and rental income and (ii) the introduction of the reclassification to "Other net provisions for risks and charges" of interest and commission repayments to customers relating to previous years, for which provisions for risks and charges had been made as an offsetting entry to the above P&L items and (iii) the retrospective application of the new IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" by the insurance associates.*

Quarterly trend in reclassified consolidated income statement

MONTEPASCHI GROUP	2023		2022*			
	2°Q 2023	1°Q 2023	4°Q 2022	3°Q 2022	2°Q 2022	1°Q 2022
Net interest income	578.3	504.5	498.4	378.7	336.3	322.2
Net fee and commission income	338.3	331.7	309.0	326.7	359.5	369.5
Income from banking activities	**916.6**	**836.2**	**807.4**	**705.4**	**695.8**	**691.7**
Dividends, similar income and gains (losses) on investments**	34.4	18.7	30.2	30.2	24.0	27.2
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	22.0	25.1	0.4	(8.6)	6.9	75.6
Net profit (loss) from hedging	(0.5)	0.6	(2.4)	0.8	3.2	4.6
Other operating income (expenses)	(0.2)	(1.7)	3.3	0.3	23.7	0.2
Total Revenues	**972.3**	**878.9**	**838.9**	**728.1**	**753.6**	**799.2**
Administrative expenses:	(406.2)	(421.1)	(459.9)	(480.3)	(488.8)	(491.7)
a) personnel expenses	(286.7)	(287.6)	(326.9)	(354.0)	(356.8)	(355.9)
b) other administrative expenses	(119.5)	(133.5)	(132.9)	(126.3)	(132.0)	(135.8)
Net value adjustments to property, plant and equipment and intangible assets	(43.0)	(43.5)	(46.5)	(47.1)	(46.6)	(47.3)
Operating expenses	**(449.2)**	**(464.6)**	**(506.4)**	**(527.4)**	**(535.4)**	**(539.0)**
Pre-Provision Operating Profit	**523.1**	**414.3**	**332.6**	**200.7**	**218.2**	**260.2**
Cost of customer credit	**(97.7)**	**(107.2)**	**(96.9)**	**(95.1)**	**(113.7)**	**(111.3)**
Net impairment (losses)/reversals on securities and loans to banks	**0.1**	**1.5**	**(2.5)**	**(0.3)**	**2.1**	**(0.4)**
Net operating income	**425.5**	**308.6**	**233.1**	**105.3**	**106.6**	**148.5**
Net provisions for risks and charges	4.1	(6.5)	(40.7)	121.8	(50.1)	(29.0)
Other gains (losses) on equity investments	0.3	(1.6)	-	2.5	(0.7)	1.9
Restructuring costs / One-off costs	9.7	(6.2)	(2.9)	(925.4)	(2.9)	(0.2)
Risks and charges associated to the SRF, DGS and similar schemes	(0.2)	(58.4)	(7.5)	(83.5)	-	(88.7)
DTA Fee	(15.7)	(15.7)	(15.8)	(15.7)	(15.7)	(15.8)
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(28.9)	0.1	(20.3)	-	(10.8)	-
Gains (losses) on disposal of investments	0.2	-	-	-	0.9	(0.1)
Profit (Loss) for the period before tax	**395.0**	**220.3**	**145.9**	**(795.1)**	**27.4**	**16.8**
Tax (expense)/recovery on income from continuing operations	(11.8)	15.4	10.1	407.6	3.0	5.9
Profit (Loss) after tax	**383.2**	**235.7**	**156.0**	**(387.5)**	**30.4**	**22.7**
Net profit (loss) for the period including non-controlling interests	**383.2**	**235.7**	**156.0**	**(387.5)**	**30.4**	**22.7**
Net profit (loss) attributable to non-controlling interests	(0.1)	-	-	-	(0.1)	-
Parent company's net profit (loss) for the period	**383.3**	**235.7**	**156.0**	**(387.5)**	**30.5**	**22.7**

** The P&L figures for the quarters of 2022 have been restated compared to those published at the respective reporting dates following the (i) discontinuation of reclassifications to PPA and rental income and (ii) the introduction as of December 2022, of the reclassification to "Other net provisions for risks and charges" of interest and commission repayments to customers relating to previous years, for which provisions for risks and charges had been made as an offsetting entry to the above P&L items and (iii) the retrospective application of the new IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" by the insurance associates..*

Reclassified Consolidated Balance Sheet				
Assets	30 06 2023	31 12 2022*	Chg abs.	Chg %
Cash and cash equivalents	11,769.1	12,538.6	(769.5)	-6.1%
Loans to central banks	544.1	628.1	(84.0)	-13.4%
Loans to banks	2,237.9	1,950.1	287.8	14.8%
Loans to customers	76,056.0	76,265.3	(209.3)	-0.3%
Securities assets	19,589.7	18,393.6	1,196.1	6.5%
Derivatives	3,023.6	3,413.6	(390.0)	-11.4%
Equity investments	677.3	750.7	(73.4)	-9.8%
Property, plant and equipment/Intangible assets	2,495.8	2,604.0	(108.2)	-4.2%
of which: goodwill	*7.9*	*7.9*	-	*0.0%*
Tax assets	2,065.6	2,216.4	(150.8)	-6.8%
Other assets	2,342.0	1,474.9	867.1	58.8%
Total assets	**120,801.1**	**120,235.3**	**565.8**	**0.5%**

Liabilities	30 06 2023	31 12 2022*	Chg abs.	Chg %
Direct funding	84,142.3	81,997.6	2,144.7	*2.6%*
a) Due to customers	74,726.7	73,356.8	1,369.9	1.9%
b) Securities issued	9,415.6	8,640.8	774.8	*9.0%*
Due to central banks	15,283.4	19,176.9	(3,893.5)	-20.3%
Due to banks	1,897.7	2,205.9	(308.2)	-14.0%
On-balance-sheet financial liabilities held for trading	2,859.9	2,567.2	292.7	11.4%
Derivatives	1,554.5	1,722.9	(168.4)	*-9.8%*
Provisions for specific use	1,523.3	1,585.7	(62.4)	-3.9%
a) Provision for staff severance indemnities	67.7	70.2	(2.5)	-3.6%
b) Provision related to guarantees and other commitments given	148.6	142.5	6.1	4.3%
c) Pension and other post-retirement benefit obligations	3.7	26.6	(22.9)	-86.1%
d) Other provisions	1,303.3	1,346.4	(43.1)	-3.2%
Tax liabilities	7.0	6.6	0.4	6.1%
Other liabilities	5,032.7	3,111.5	1,921.2	61.7%
Group net equity	8,499.5	7,860.1	639.4	8.1%
a) Valuation reserves	(18.4)	(30.6)	12.2	-39.8%
d) Reserves	445.4	615.5	(170.1)	-27.6%
f) Share capital	7,453.5	7,453.5	-	0.0%
h) Net profit (loss) for the period	619.0	(178.4)	797.4	n.m.
Non-controlling interests	0.8	0.9	(0.1)	-11.1%
Total Liabilities and Shareholders' Equity	**120,801.1**	**120,235.3**	**565.8**	**0.5%**

** The balance sheet figures as at 31 December 2022 have been restated compared to the data published in the Consolidated Financial Statements as at 31 December 2022, following the retrospective application of the new IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" by the insurance associates.*

Reclassified Consolidated Balance Sheet - Quarterly Trend						
Assets	**30/06/23**	**31 03 2022**	**31 12 2022***	**30 09 2022***	**30 06 2022***	**31 03 2022***
Cash and cash equivalents	11,769.1	14,512.4	12,538.6	16,540.4	1,518.8	1,791.0
Loans to central banks	544.1	656.4	628.1	4,426.4	17,626.5	15,392.8
Loans to banks	2,237.9	2,125.8	1,950.1	2,715.5	1,432.1	2,424.9
Loans to customers	76,056.0	77,755.6	76,265.3	77,939.1	78,621.7	79,259.7
Securities assets	19,589.7	18,652.3	18,393.6	19,794.3	22,312.7	23,382.2
Derivatives	3,023.6	3,215.9	3,413.6	3,521.3	3,029.2	2,352.6
Equity investments	677.3	772.0	750.7	691.9	693.5	953.7
Property, plant and equipment/Intangible assets	2,495.8	2,567.1	2,604.0	2,639.5	2,666.1	2,718.5
of which: goodwill	*7.9*	*7.9*	*7.9*	*7.9*	*7.9*	*7.9*
Tax assets	2,065.6	2,219.7	2,216.4	2,205.7	1,769.3	1,798.0
Other assets	2,342.0	1,808.8	1,474.9	1,317.1	1,645.0	1,904.2
Total assets	**120,801.1**	**124,286.0**	**120,235.3**	**131,791.2**	**131,314.9**	**131,977.6**

Liabilities	**30/06/23**	**31 03 2022**	**31 12 2022***	**30 09 2022***	**30 06 2022***	**31 03 2022***
Direct funding	84,142.3	84,067.0	81,997.6	83,805.1	84,305.1	84,428.2
a) Due to customers	74,726.7	74,708.3	73,356.8	75,164.3	74,940.9	74,992.2
b) Securities issued	9,415.6	9,358.7	8,640.8	8,640.8	9,364.2	9,436.0
Due to central banks	15,283.4	19,317.2	19,176.9	28,931.7	28,947.6	29,081.1
Due to banks	1,897.7	1,884.6	2,205.9	2,589.8	1,694.6	1,763.6
On-balance-sheet financial liabilities held for trading	2,859.9	3,276.3	2,567.2	2,362.2	2,658.7	3,174.4
Derivatives	1,554.5	1,608.7	1,722.9	1,777.2	1,727.5	2,081.9
Provisions for specific use	1,523.3	1,554.2	1,585.7	2,582.4	1,822.2	1,820.6
a) Provision for staff severance indemnities	67.7	69.9	70.2	136.9	142.5	157.8
b) Provision related to guarantees and other commitments given	148.6	152.8	142.5	148.5	148.8	147.8
c) Pension and other post-retirement benefit obligations	3.7	3.8	26.6	24.2	24.9	29.0
d) Other provisions	1,303.3	1,327.7	1,346.4	2,272.8	1,506.0	1,486.0
Tax liabilities	7.0	6.9	6.6	6.9	6.0	6.5
Other liabilities	5,032.7	4,441.3	3,111.5	4,430.8	4,378.1	3,645.4
Group net equity	8,499.5	8,128.9	7,860.1	5,303.8	5,773.7	5,974.6
a) Valuation reserves	(18.4)	7.2	(30.6)	(59.6)	27.0	172.8
d) Reserves	445.4	432.5	615.5	743.7	(3,501.4)	(3,415.8)
f) Share capital	7,453.5	7,453.5	7,453.5	4,954.1	9,195.0	9,195.0
h) Net profit (loss) for the period	619.0	235.7	(178.4)	(334.4)	53.1	22.7
Non-controlling interests	0.8	0.9	0.9	1.3	1.4	1.3
Total Liabilities and Shareholders' Equity	**120,801.1**	**124,286.0**	**120,235.3**	**131,791.2**	**131,314.9**	**131,977.6**

** The balance sheet figures as at 31 December 2022 have been restated compared to the data published in the Consolidated Financial Statements as at 31 December 2022, following the retrospective application of the new IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" by the insurance associates.*

The information contained herein provides a summary of the Group's 2023 half-year financial statements and is not complete. Complete 2023 half-year financial statements, which are subject to audit, will be available on the Company's website at www.gruppomps.it.

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