**IN 9M23 ILLIMITY RECORDS A SIGNIFICANT RISE IN NET PROFIT TO 75 MILLION EURO (+48% Y/Y)**

**REVENUE RISES TO 282 MILLION EURO (+21% Y/Y) DRIVEN BY NET INTEREST INCOME (+27%) AND NET FEES AND COMMISSIONS (+22%), AS WELL AS PARTNERSHIP ON IT PLATFORM**

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**IN 3Q23 NET PROFIT OF 22.8 MILLION EURO WITH A STRONG ACCELERATION IN CORE BUSINESS PROFITABILITY:**

**RECORD QUARTER IN THE SME SEGMENT[1] WITH PROFIT RISING BY 62% (Q/Q)**

**PROFIT IN THE DISTRESSED CREDIT DIVISION RISING SHARPLY (+34% Q/Q) WITH SIGNIFICAN GROWTH IN BUSINESS ORIGINATION (+261% Q/Q) FOCUSSED ON UTP**

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**CUSTOMER LOANS AT 4.2 BILLION EURO (+27% Y/Y)**

**CREDIT QUALITY UNDER CONTROL WITH COST OF RISK FALLING TO 34BPS**

**ROBUST LIQUIDITY FURTHER STRENGTHENED BY GROWTH OF RETAIL FUNDING RISING TO 3.3 BILLION EURO (+755 MILLION EURO YTD)**

**SOLID CAPITAL POSITION WITH A CET1 RATIO REMAINING AT A HIGH LEVEL OF 14.75%**

**TOTAL ASSETS INCREASE TO 6.8 BILLION EURO (+29% Y/Y)**

[1] Includes the Growth Credit and Investment Banking Divisions.

*Milan, 10 November 2023* – The Board of Directors of illimity Bank S.p.A. ("**illimity**" or the "**Bank**"), chaired by Rosalba Casiraghi, yesterday approved the illimity Group's results as at 30 September 2023.

**Corrado Passera**, **CEO** and **Founder of illimity**, commented: "*The results confirm the steady growth trend that illimity has shown since its foundation, while keeping a contained risk profile. Net profit for the first nine months has already reached the level achieved for the whole of 2022, thanks to the growth in our core business, which accelerated strongly in the third quarter , and the partnership on our IT platform that has enabled us to open up an additional area of revenues. In this respect, we posted a record quarter in the SMEs business. The distressed credit division saw an increase in profitability, with origination volumes sharply increased on the previous quarter with an ever greater focus on UTP and asset-based loans, compared to NPL portfolios that represent today ca. 7% of total assets. Our tech initiatives also continue their growth path with gradual improvement in earnings as planned: I am convinced that they can represent a significant value for the development of our Group.*"

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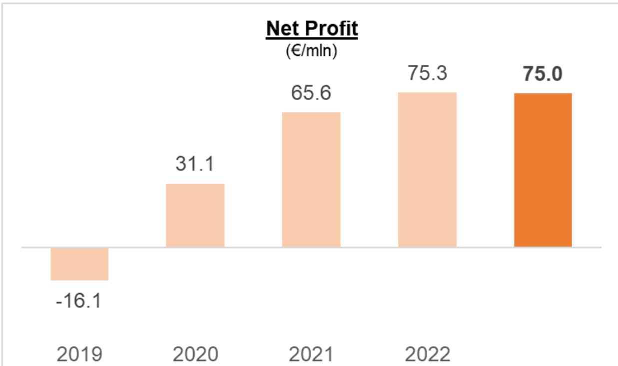


*Main dynamics for the first 9 months of 2023*

- **Net profit rose** to **75 million euro (+48% y/y),** benefiting from the diversification of activities into segments and sectors of the SME market having different business cycles and from the valorisation of one of the critical success factors built up over the past few years, technology, that has enabled the Bank to enter an important partnership with Engineering based on its IT platform.

- **Revenue** of 282 million euro (+ 21% y/y), with a sharp rise in net interest income (+27% y/y) driven by an increase in customer loans (+27% y/y) and net fees and commissions (+22% y/y), which benefited from the credit and servicing activities. The item "Net other income/expenses" amounting to 58.6 million euro includes the income of 54.0 million euro resulting from the finalisation of the above-mentioned partnership. Profits from closed purchased credit positions totalled 24.2 million euro; when taken together with the positive vale adjustments on NPE based on binding offers, the total would be just below the level achieved in the first nine months of 2022 (45.3 million euro).

- **Operating costs** of 156.6 million euro compared to 140.4 million euro for the same period of the previous year. More specifically, the combined aggregate of Staff costs and Other operating expenses amounted to 140.8 million euro, an increase of 10% y/y. Excluding the effects arising from the change in perimeter[2] and non-recurring staff costs, the figure rose by 5% y/y, mostly due to the completion of the staff sizing in the operating structures. Depreciation and amortisation totalled 15.8 million euro, up over the figure of 11.9 million euro of 9M22, following the increase arising from the IT investments made during the previous year for the launch of the tech initiatives.

- **Customer loans** rose to 4.2 billion euro (+27% y/y) driven by a sharp uplift in business origination arising from SMEs. More specifically, lending made by the Growth Credit and Investment Banking Divisions rose in aggregate by 37% y/y, to which should be added the significant progress achieved by b-ilty, the credit tech initiative operating since the beginning of the year, with volumes rising to 217 million euro.

- **Credit quality** under control, with a cost of risk of 34 basis points, down from the 42 basis points of the first six months of 2023 and with a gross organic NPE ratio, excluding loans backed by public guarantees, remaining at a contained level of 1.3%.

- **Total funding**, characterised by a broad diversification of funding sources, of 5.6 billion euro, rising by 31% y/y driven in particular by the retail component. The latter stood at 3.3 billion euro, up by 755 million euro since the beginning of the year (+42% y/y), supported by the important contribution made by the *illimitybank.com* platform (2.3 billion euro). It should additionally be noted that retail funding is highly stable, 86% of this consisting of term deposits.

- **Solid capital base** with a phased-in CET1 ratio of 14.75% (14.70% fully loaded), representing a large buffer over the SREP requirement. The Total Capital Ratio stood at 19.0%.

- **Strengthening in the positioning of the subsidiary ARECneprix** as the third Italian player in the corporate UTP loan servicing and management sector, thanks to the role it assumed as arranger, advisor, asset manager and special servicer for the Olympus Fund, the new equity contribution fund launched by ARECneprix together with Finint Investments[3]. This fund, which started out with an initial contribution of ca. 2 billion euro Gross Book Value (GBV) and sees illimity Bank (48%) and Unicredit (52%) as its first unit-holders, is positioned on the market as one of the leading funds in terms of the value of its managed assets, mostly UTPs and leasing loans, secured by prestigious real estate, with a par excellence scalable platform unique to the market. Also, as a result of this transaction and due to the normal seasonality of the business, the pre-tax result for the fourth quarter will be higher than that of the first nine months of the year.

- **Further progress in the strategic development of the three tech initiatives** with a gradually increasing profitability. **HYPE** posted an increase in both its customer base (+8% y/y) and number of transactions (+31% y/y), with a commercial offer further enriched by new

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[2] Following the entry of AREC and Quimmo Prestige (former Residenza Porta Nuova) in the Group's perimeter.

[3] In this respect see the press release issued on 27 October 2023.

credit and insurance solutions conceived by leading market operators. **b-ilty**, active since the beginning of the year, continues to see a rise in the volume of customer loans, which reached 217 million euro, tripling the figure of 71 million euro posted in the first quarter, with a pipeline that also promises to be robust in the upcoming months and a quarterly pre-tax result showing a visible improvement over the average of the previous quarters. **Quimmo** consolidated its leadership position in the judicial market with market shares constantly rising. In addition, the open market development strategy, put into practice through the strategic partnership in real estate brokerage with COIMA[4], continues.

*Main dynamics of Q3 2023*

The third quarter of the year ended with a **net profit of 22.8 million euro**, characterised by an acceleration in the profitability of the core business. **Operating profit** – excluding the income of 54 million euro generated by the new agreement for the IT platform, booked in the second quarter of 2023 – posted an organic increase of **20%** over the previous quarter. More specifically, the combined aggregate of net interest income and net fees and commissions rose by 3% q/q, while operating costs decreased by 9% q/q.

**Provisions for organic loans**, amounting to 1.7 million euro, fell sharply (by 47% q/q) compared to the figure of 3.1 million euro booked in the previous quarter, reflecting a resilient trend in credit quality that saw negligible flows of new NPEs.

The quarter's result also benefited from positive value adjustments on distressed credit positions of 13.3 million euro following binding offers received for the purchase of certain NPE portfolios.

**Profit before tax**, totalling 34.3 million euro, represents organic growth of **150%** over the previous quarter (13.7 million euro excluding the income deriving from the new agreement for the IT platform).

As regards the core business divisions, the **SME segment** (**Growth Credit and Investment Banking**) confirmed the positive trend taking place, posting a **record quarter** from an earnings standpoint, with pre-tax profit rising by 62% q/q.

The **Distressed Credit Division** also displayed a **significant progress in earnings**, with pre-tax profit increasing by 34% q/q, together with a **marked acceleration in business origination** of 232 million euro, concentrated in the UTP and asset based financing segments, almost **tripling the volumes** posted in the previous quarter (64 million euro).

[4] Leading market operator specialising in investing, developing and managing Italian real estate assets for institutional investors.

## Key balance sheet figures

*Figures in millions of euro*

| Reclassified Balance sheet | 30.09 2022 | 31.12 2022 | 31.03 2023 | 30.06 2023 | 30.09 2023 | Δ % 30.09.2023 / 30.06.2023 | Δ % 30.09.2023 / 30.09.2022 |
|---|---|---|---|---|---|---|---|
| Cash and cash equivalent | 364 | 681 | 340 | 536 | 321 | (40)% | (12)% |
| Due from banks and other financial institutions | 184 | 183 | 213 | 228 | 120 | (47)% | (35)% |
| **Customer loans** | **3,318** | **3,776** | **3,927** | **4,222** | **4,207** | **(0)%** | **27%** |
| *- Distressed Credit investments* | *860* | *1,021* | *991* | *1,054* | *911* | *(14)%* | *6%* |
| *- Distressed Credit senior financing* | *446* | *469* | *505* | *429* | *403* | *(6)%* | *(10)%* |
| *- Growth Credit* | *1,800* | *2,037* | *2,116* | *2,294* | *2,330* | *2%* | *29%* |
| *- Cross-over & Acq. Finance* [1] | *809* | *891* | *903* | *933* | *979* | *5%* | *21%* |
| *- Turnaround* | *612* | *665* | *725* | *833* | *848* | *2%* | *38%* |
| *- Factoring* | *379* | *481* | *488* | *528* | *503* | *(5)%* | *33%* |
| *- b-ilty* | *38* | *50* | *71* | *154* | *217* | *41%* | *464%* |
| *- Investment banking* | *108* | *133* | *178* | *223* | *278* | *24%* | *157%* |
| *- Non-core former Banca Interprovinciale* | *64* | *66* | *65* | *67* | *68* | *2%* | *5%* |
| Financial assets Held To Collect (HTC)[2] | *215* | *428* | *403* | *428* | *485* | 13% | 125% |
| Financial Assets Held To Collect & Sell (HTCS)[3] | 396 | 392 | 384 | 451 | 454 | 1% | 15% |
| Financial assets measured at FVTPL[4] | *150* | *105* | *111* | *118* | *159* | 34% | 6% |
| Investments in associates and companies subject to joint control | 78 | 76 | 83 | 82 | 81 | (1)% | 4% |
| Goodwill | 65 | 65 | 65 | 70 | 70 | -- | 7% |
| Intangible assets | 65 | 70 | 72 | 75 | 75 | 1% | 16% |
| Other assets (incl. Tangible and tax assets)[5] | 455 | 579 | 500 | 514 | 858 | 67% | 89% |
| **Total assets** | **5,291** | **6,355** | **6,098** | **6,724** | **6,831** | **2%** | **29%** |
| Due to banks | 581 | 1,205 | 899 | 951 | 949 | (0)% | 63% |
| Due to customers | 3,186 | 3,409 | 3,411 | 3,863 | 3,928 | 2% | 23% |
| Bond/Securities | 515 | 653 | 662 | 731 | 740 | 1% | 44% |
| Shareholders' Equity[6] | 813 | 841 | 857 | 899 | 923 | 3% | 13% |
| Other liabilities | 196 | 246 | 270 | 281 | 291 | 4% | 49% |
| **Total liabilities** | **5,291** | **6,355** | **6,098** | **6,724** | **6,831** | **2%** | **29%** |
| | | | | | | | |
| Common Equity Tier 1 Capital | 660 | 683 | 677 | 710 | 723 | 2% | 9% |
| **Risk Weighted Assets** | **3,678** | **4,330** | **4,344** | **4,601** | **4,900** | **6%** | **33%** |

1. *Includes part of the net loans to existing customers of Banca Interprovinciale, which due to their features are considered consistent with illimity's Growth Credit segment. It also includes the corporate high-yield bonds classified as HTC.*
2. *Includes the Bank's securities portfolio classified at amortised cost.*
3. *HTCS: financial assets at fair value through comprehensive income. This item consists of the Bank's securities portfolio and any of the Distressed Credit Division's loans held for potential sale.*
4. *FVTPL: other financial assets at fair value through profit or loss. This item includes equity financial instruments purchased as part of Turnaround transactions, junior tranches of securitised non-performing loans acquired as part of Senior Financing transactions and investments in distressed energy credit purchased as part of the DC Division's activities.*
5. *This includes assets arising from the purchasing of tax assets (the so-called "Ecobonus") for €98mln and Assets held for sale for €350mln.*
6. *This includes 5.3mln of minority interests.*

*Any failure of the above figures to reconcile arises exclusively from rounding.*

As at 30 September 2023, the Bank's **total assets** stood at **6.8 billion euro**, an increase of 29% over the same period of last year (+2% q/q).

As part of this total, **net customer loans and investments** amounted to **4.2 billion euro**, up by **27% y/y**, driven by the business of the Growth Credit and Investment Banking Divisions. The figure remains flat compared to the previous quarter as the increase in volumes due to new business origination was effectively offset by the sale of NPE investments.

In terms of **credit quality**, gross organic impaired positions arising from the business originated by illimity since the start of its operations totalled 138.7 million euro, leading to a gross organic NPE ratio of 4.8%[5], compared to 4.7% in the second quarter of 2023. Excluding exposures backed by public guarantees, **NPE ratio stood at 1.3%, in line with the figure for the previous quarter**, consisting for the most part of exposures undergoing a restructuring process.

The Bank's **liquidity** continued to be very robust, standing at over **900 million euro**[6], and remains available to finance the Bank's pipeline of new business volumes.

illimity's **securities portfolio** reached **939 million euro** at the end of September 2023, an increase over the figure of 879 million euro at the end of June 2023 and up by 54% over 30 September 2022 (611 million euro). The total includes **HTC securities** of 485 million euro (consisting of Italian government bonds), with the portfolio built up in accordance with a prudent strategy that provides for a contained duration (under four years), enabling the effect on the Bank's capital arising from market volatility to be limited to around 14 million euro. The **Hold to Collect and Sell** ("HTCS") securities portfolio amounted to ca. 454 million euro, representing an increase of 15% y/y, and is effectively in line with the previous quarter. Taking into account the contribution coming from the hedge accounting strategy, and net of the tax effect, the HTCS securities portfolio mark-to-market stood at negative 37.8 million, an improvement of approximately 10.1 million euro over the figure at the end of December 2022. Taken as a whole, approximately 78% of the securities portfolio consists of Italian government bonds, 16% of senior bonds and 6% of subordinated bonds.

The line item "**Other assets**" includes assets held for sale arising from the Distressed Credit Division for an amount of 350 million euro. The total also comprises balances arising from the purchase of tax credits – under the government's "Ecobonus" scheme – these totalling 98.2 million euro.

illimity's **total financing** stood at ca. **5.6 billion euro** at the end of September 2023, with a good mix between the various sources. In particular, **retail funding** amounted to ca. **3.3 billion euro**, up by 42% y/y and by 10% q/q. As part of this total, funding arriving from the ***illimitybank.com*** platform amounted to **2.3 billion euro**, representing increases of 49% y/y and 9% q/q, meaning that net funding of over 607 million euro was raised on that platform in the first nine months of the year, in addition, 40 million euro was raised through the b-ilty channel. Retail funding from the **Raisin** channel amounted to **879 million euro**, up by 93 million euro since the beginning of the year (+19% y/y and +14% q/q).

**Wholesale funding** totalled **1.9 billion euro**, up by 41% y/y as a result of the increase in the bond and repo component. The figure fell by 5% over the previous quarter due to a decrease in the interbank component.

**Corporate customer funding** amounted to 0.5 billion euro.

**CET1 Capital** stood at **723 million euro**, an increase over the figure at the end of June 2023 (710 million euro) mainly due to the profit for the period. Risk-weighted assets (RWA) totalled ca. 4,900 million euro, an increase over the figure of 4,601 million euro for the previous quarter as a result of the business origination for the quarter and investments, including the effects of the participation in the Olympus fund.

As the result of these dynamics, illimity's **phased-in CET1 Ratio** stood at 14.75% (14.70% fully

[5] Including the portfolio inherited from Banca Interprovinciale (gross non-performing loans of 31 million euro and gross performing loans of 75 million euro) the Group's organic NPE ratio amounts to 5.6%.

[6] Total high quality liquid assets (HQLA).

loaded) at the end of September 2023, well above the minimum SREP requirement (9.1%).

The **Total phased-in Capital Ratio**, which also includes the 205 million euro Tier 2 subordinated bond in regulatory capital, closed at **19.0%** (18.9% fully loaded).

The **Liquidity Coverage Ratio (LCR)** stood at ca. **235%** at the end of September 2023, confirming a considerable liquidity buffer, while the **Net Stable Funding Ratio (NSFR)** closed at **114%**, **significantly above minimum regulatory requirements**.

## Key income statement figures

*Figures in millions of euro*

| Reclassified Income Statement | 3Q22 | 1Q23 | 2Q23 | 3Q23 | Δ Q/Q% | 9M22 | 9M23 | Δ 9M Y/Y% |
|---|---|---|---|---|---|---|---|---|
| Interest income | 59.1 | 86.3 | 94.6 | 106.3 | 12% | 165.2 | 287.2 | 74% |
| Interest expenses[1] | (17.0) | (37.9) | (45.2) | (56.3) | 25% | (49.1) | (139.5) | 184% |
| **Net interest income** | **42.0** | **48.4** | **49.4** | **50.0** | **1%** | **116.1** | **147.7** | **27%** |
| Net fees and commissions | 14.1 | 15.1 | 17.1 | 18.7 | 9% | 41.8 | 50.9 | 22% |
| Net result from trading and fair value assets | 4.6 | (0.1) | (0.9) | 1.5 | (265)% | 13.3 | 0.5 | (96)% |
| Net other income/expenses | 5.2 | 1.0 | 55.3 | 2.3 | (96)% | 17.1 | 58.6 | 242% |
| Profit from closed purchased distressed credit positions[2] | 8.6 | 7.8 | 11.1 | 5.3 | (52)% | 45.3 | 24.2 | (47)% |
| Gain (loss) from disposal of investments | - | - | - | - | n.s. | - | - | n.s. |
| **Operating income** | **74.5** | **72.1** | **132.1** | **77.8** | **(41)%** | **233.6** | **282.0** | **21%** |
| Staff costs | (20.9) | (23.1) | (27.2) | (22.2) | (18)% | (64.4) | (72.6) | 13% |
| Other operating expenses | (21.4) | (21.6) | (23.2) | (23.3) | 0% | (64.1) | (68.2) | 6% |
| Depreciation & Amortisation | (4.6) | (5.2) | (5.2) | (5.3) | 2% | (11.9) | (15.8) | 33% |
| **Operating costs** | **(46.9)** | **(50.0)** | **(55.7)** | **(50.8)** | **(9)%** | **(140.4)** | **(156.6)** | **12%** |
| **Operating profit** | **27.6** | **22.1** | **76.4** | **26.9** | **(65)%** | **93.2** | **125.4** | **n.s.** |
| Loan loss provision charges | (0.6) | (2.8) | (3.1) | (1.7) | (47)% | (3.7) | (7.6) | 109% |
| Value adjustments on purchased distressed credit | 7.3 | 0.8 | (4.4) | 13.3 | n.s. | (0.5) | 9.7 | n.s. |
| Value adjustments on securities and loans to banks and off-balance | (0.2) | (0.7) | (0.1) | 0.2 | n.s. | (1.0) | (0.6) | (35)% |
| Other net provisions for risks and charges | - | (0.2) | 0.4 | - | n.s. | (0.0) | 0.2 | n.s. |
| Other income from equity investments | (1.8) | (1.2) | (1.3) | (0.8) | (33)% | (5.7) | (3.3) | (42)% |
| Contribution to banking sector schemes and other non-recurring charges | (2.6) | (6.0) | (0.2) | (3.6) | n.s. | (4.7) | (9.8) | 108% |
| **Profit (loss) before tax** | **29.6** | **12.1** | **67.7** | **34.3** | **(49)%** | **77.7** | **114.0** | **47%** |
| Income tax | (10.4) | (4.3) | (23.3) | (11.7) | (50)% | (27.1) | (39.3) | 45% |
| Minority Interest | - | - | 0.0 | 0.2 | n.s. | - | 0.3 | n.s. |
| **Net result** | **19.1** | **7.8** | **44.4** | **22.8** | **(49)%** | **50.6** | **75.0** | **48%** |

1. *This item does not include costs relating to leasing liabilities, which have been classified as administration costs; on the other hand, it includes commission expenses and stamp duty related to deposits on the Raisin platform.*
2. *Gains from the definitive closure of non-performing exposures either through disposal to third parties or through a discounted payoff strategy ("saldo e stralcio") agreed with the debtor.*
*Any failure of the above figures to reconcile arises exclusively from rounding.*

**Net profit for the first nine months of 2023 amounted to 75 million euro**, up by 48% y/y.

The main economic effects were as follows.

**Net interest income** totalled **147.7 million euro**, up by 27% y/y, benefiting above all from the rise in volumes that enabled the increase in the cost of funding to be more than offset. On a quarterly basis the figure rose by 1%.

Contributing to this dynamic was **interest income** of **287.2 million euro**, up by 74% y/y (+12% q/q) thanks to the increase in loan stock driven by significant business origination. **Interest expenses** rose to **139.5 million euro** compared to 49.1 million euro in the first nine months of 2022, due to the increase in the cost of funding that was to a large extent attributable to the uplift in market rates and the rise in funding volumes. As the result of these dynamics, the figure for the quarter (56.3 million euro) was also up over the previous quarter (45.2 million euro).

**Net fees and commissions** closed at **50.9 million euro**, up 22% y/y thanks to a rise in business volumes and an increase in servicing operations as the result of the acquisition of AREC, completed in June 2022. The figure rose by 9% q/q in the third quarter, driven in particular by the Investment Banking and b-ilty divisions.

**Other operating income** of 58.6 million euro was significantly higher than the 17.1 million euro posted in the first nine months of 2022, benefiting from the partnership with Engineering concluded for the use of illimity's IT platform, whose positive effect of 54 million euro was booked in the previous quarter. The figure for the third quarter amounted to 2.3 million euro.

**Profit from closed purchased distressed credit positions** totalling 24.2 million euro with respect to the 45.3 million euro booked in the first nine months of 2022, as the result of a distressed credit market that has been less dynamic this year, in particular during the first six months. Nevertheless, given the positive value adjustments on distressed loans of 13.3 million euro following the receipt of binding offers for the purchase of certain NPE portfolios, the overall figure is only slightly lower than the level achieved last year.

As a result of the above dynamics, **operating income** reached **282 million euro** in the first nine months of 2023 (+21% y/y). The figure totalled 77.8 million euro on a quarterly basis, essentially in line with the previous quarter if the income arising from the partnership with Engineering is excluded.

**Operating costs closed at 156.6 million euro** compared to 140.4 million euro in the first nine months of 2022 (+12% y/y). More specifically, **the combined aggregate of Staff costs and Other operating expenses** amounted to 140.8 million euro, an increase of 10% y/y. Excluding the effect of the change in perimeter (with AREC and Quimmo Prestige Agency joining the Group) and non-recurring staff costs, the figure rose by 5% y/y, mainly due to the completion of the staff sizing in the operating structures. **Depreciation and amortisation** increased to 15.8 million euro compared to 11.9 million euro in the first nine months of 2022 as a result of the IT investments. On a quarterly basis operating costs amounted to 50.8 million euro, a fall of 9% due to the positive seasonal effect typically observed during the third quarter of the year and the result of spending containment measures.

**Operating profit** for the nine months closed at **125.4 million euro**, an increase of 35% over the same period of last year. On a quarterly basis the figure reached 26.9 million euro (+20% q/q excluding the income deriving from the partnership concluded for the IT platform).

**Loan loss provision charges for organic loans** rose to 7.6 million euro compared to 3.7 million euro in the first nine months of 2022, reflecting an annualised cost of risk of 34 basis points, down when compared to the first six months of the year. A charge of 1.7 million euro was made in the third quarter, a sharp fall (-47%) compared to the figure of 3.1 million euro booked in the previous quarter, reflecting a resilient trend in the quality of credit which saw negligible NPE inflows.

**Value adjustments on purchased distressed credit** for the nine months were positive for 9.7 million euro compared to provisioning of 0.5 million euro charged in the first nine months of 2022. This result was driven by the positive figure of 13.3 million euro booked following the receipt of binding offers from third parties to purchase certain portfolios of the Distressed Credit Division, thereby confirming the prudence adopted by the Bank in valuing its NPE portfolios.

The item **Contribution to banking sector schemes and other non-recurring charges**, amounting to 9.8 million euro, consists of provisions made to the Single Resolution Fund and the Interbank Deposit Protection Fund and the one-off effect arising from the mutual termination of the previous licence agreement for the use of the Group's IT platform with effectiveness since December 2022, booked in the first quarter of 2023.

**Other income from equity investments** which includes the pro-rata consolidation of HYPE, produced a loss of 3.0 million euro, an improvement over the loss of 5.7 million euro booked in the first nine months of 2022. It is recalled that HYPE's results are consolidated using the equity method.

**Profit before tax** amounted to 114 million euro for the first nine months of 2023 (+47% y/y) and 34.3 million euro for the third quarter of 2023 (+150% q/q, excluding the income arising from the partnership for the IT platform).

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## Contribution of the business divisions to the Group's results

*The following table sets out the key figures for the illimity Group's divisions for the first nine months of 2023.*

| *9M23, Data in millions of euro* | Growth Credit Division | Investment Banking Division | Distressed Credit Division | b-ilty | Digital Division | HQ Functions | SGR | Hype | Total |
|---|---|---|---|---|---|---|---|---|---|
| Net interest income | 53.0 | 6.6 | 81.2 | 2.4 | 4.5 | - | - | - | 147.7 |
| Net fees and commissions | 21.5 | 5.1 | 18.6 | 2.9 | (0.9) | - | 3.7 | - | 50.9 |
| Other income | 1.9 | (0.8) | 27.9 | - | 54.3 | - | 0.1 | - | 83.4 |
| **Operating income** | **76.4** | **10.9** | **127.7** | **5.3** | **57.9** | **-** | **3.8** | **-** | **282.0** |
| Staff costs | (9.1) | (3.6) | (29.9) | (4.3) | (6.8) | (16.8) | (2.1) | - | (72.6) |
| Other operating expenses and D&A | (5.0) | (1.9) | (35.5) | (4.0) | (22.7) | (14.5) | (0.4) | - | (84.0) |
| **Operating costs** | **(14.1)** | **(5.5)** | **(65.4)** | **(8.3)** | **(29.5)** | **(31.3)** | **(2.5)** | **-** | **(156.6)** |
| **Operating profit** | **62.3** | **5.4** | **62.3** | **(3.0)** | **28.4** | **(31.3)** | **1.3** | **-** | **125.4** |
| LLPs and value adjustmets on DC portflio e securities | 1.4 | (0.5) | 3.0 | (2.4) | - | - | - | - | 1.5 |
| Net provisions on other financial assets and contribution to banking sector schemes | (0.6) | - | 0.8 | - | (4.3) | (5.5) | - | - | (9.6) |
| Other income from equity investments | - | - | (0.3) | - | - | - | - | (3.0) | (3.3) |
| **Profit (loss) before tax** | **63.1** | **4.9** | **65.8** | **(5.4)** | **24.1** | **(36.8)** | **1.3** | **(3.0)** | **114.0** |
| Cost Income Ratio | 18% | 50% | 51% | n.s. | 51% | n.s. | 66% | n.s. | 56% |
| Interest earning assets | 2,905 | 488 | 1,972 | 247 | 0 | 441 | 0 | 0 | 6,054 |
| **RWA** | **1,763** | **205** | **2,304** | **67** | **124** | **392** | **5** | **40** | **4,900** |

*Any failure of the above figures to reconcile arises exclusively from rounding.*

## Core Business (including the following divisions: Distress Credit, Growth Credit, Investment Banking and illimity SGR):

### *Distressed Credit Division*

The Distressed Credit Division posted a **strong growth in profitability** in the third quarter of the year, with **pre-tax profit** increasing by 34% q/q to 26.7 million euro, driven by the gain booked following the receipt of binding offers for the purchase of certain NPE portfolios.

**Pre-tax profit** for the first nine months of the year totalled **65.8 million euro** compared to 94.3 million euro for the first nine months of 2022. More specifically, **net interest income** fell slightly, while **net fees and commissions** were up by 42% y/y, also driven by increased servicing operations arising from the purchase of AREC. **Profit from closed positions** closed at 27.8 million euro, suffering from a lack of dynamism on the NPE market in particular during the first six months of the year. Of note is the fact that in the third quarter the division booked positive value adjustments for over 10 million euro, following the receipt of binding offers to purchase certain NPE portfolios.

The Division's Cost/Income ratio amounted to 51% for the first nine months of 2023, indicating good operating efficiency,  the Cost/Income ratio excluding ARECneprix and Abilio stands at 39%.

Business origination totalled 381 million euro in the first nine months of the year (+25% y/y), with a sharp rise in the third quarter when volumes rose to 232 million euro (mainly UTPs), more than tripling the figure for the previous quarter.

The NPE portfolio stood at 1.7 billion euro[7], up 27% y/y with a different mix, which saw a fall in the NPL component from 46% to 27% in favour of UTPs[8], and asset-based financing.

Since the end of October **ARECneprix** is acting as arranger, special servicer, asset manager and advisor for the Olympus fund, a new equity contribution fund launched together with Finint Investments, focusing on the valorisation of loans secured by real estate, including leasing loans, and on the management of real estate assets. The fund's initial contribution had a GBV of ca. 2 billion euro. By carrying out this operation ARECneprix has strengthened its positioning as the third Italian player in the corporate UTP loan servicing and management sector, managing assets with a GBV of around 11 billion euro, of which 34% non-captive, a decisive increase over the figure of 27% in 2Q23 as a result of the above transaction.

ARECneprix ended the first nine months of 2023 with a pre-tax profit of 4.2 million euro. In the fourth quarter, it is expected to be higher than in the first nine months of the year due to the increase in third-party mandates.

### *Growth Credit Division*

The Growth Credit Division confirmed its positive trend, posting a **record quarter** from an earnings standpoint and achieving a **pre-tax profit** of 26.3 million euro, up by 42% q/q. This took pre-tax profit for the first nine months of 2023 to 63.1 million euro, substantially **doubling** that for the same period of last year (+96% y/y).

**Revenues** rose by 53% y/y, driven by net interest income which more than doubled compared to the first nine months of 2022, thanks to the rise in volumes and the positive effect of the increase in market interest rates.

**Operating costs** fell by 8% over the previous year, with operating leverage displaying its continuing excellence. In this respect the Cost/Income ratio fell to 18%, a significant improvement over the figure of 31% for the first nine months of 2022.

The division's **net customer loans** stood at **2,330 million euro**, up by 29% over 30 September 2022, with a contribution arriving from all business segments. The figure was 2% higher than that at the end of June 2023, despite the numerous requests for the early reimbursement of loans made during the quarter. In addition, there was confirmation of the important contribution made by loans backed by public guarantees and insured loans, these representing half of the total for the Division,

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[7] Includes 350 million euro of assets classified in the Balance Sheet item "Non-current assets held for sale and discontinued operations".

[8] Include negligible Past Due positions.

enabling the Bank to obtain a high return on capital due to their low risk profile and limited capital absorption.

Business origination in the Cross-over & Acquisition Finance and Turnaround segments remained robust during the first nine months of 2023, equal to 466 million euro, with a solid pipeline in view.

Factoring continued to display an excellent performance with turnover rising by 49% y/y.

***Investment Banking Division***

The Investment Banking Division reported its best ever quarter since the start of operations, with **business origination** of 100 million euro, up by 82% q/q, and a robust pipeline of new initiatives of over 100 million euro.
Volumes stood at 278 million euro, reflecting a sharp increase over the first nine months of 2022 (+157% y/y).

The third quarter closed with a **pre-tax profit** of **3.1 million euro**, a considerable improvement over the loss of 0.3 million incurred in the previous quarter.

***illimity SGR***

The SGR booked a **pre-tax profit of 1.3 million euro** in the first nine months of 2023, a significant improvement over the breakeven position for the same period of the previous year, driven by the increase in **net fees and commissions** to **3.7 million euro**, up by 85% y/y.

The rise in earnings was led by the growth in total managed assets, which exceeded **450 million euro**, representing an increase of 60% over the first nine months of 2022, and further increases are envisaged in the future as the result of the launch of new funds.

It is recalled that in April 2023 the “illimity Selective Credit” fund was launched under article 8 of the SFDR, this focusing on performing unlisted SMEs, and that the fund’s first closing was worth 91 million euro.

**Digital Division**

The results for the first nine months of the year of the Digital Division (former Chief Information Officer division - CIO), which comprises all the activities involved in the management and development of the Bank’s IT architecture and the *illimitybank.com* funding platform, benefited from the recognition of income of 54.0 million euro arising from the partnership with the Engineering Group concluded in the second quarter of 2023. Pre-tax profit of 24.1 million euro was accordingly earned in the first nine months of the year compared to a loss of 7.8 million euro in the same period of the previous year.

The agreement with Engineering has repaid a large part of the IT investments and has transformed the Group’s digital banking platform into a new area of revenues that will support the growth of future earnings.

Regarding the *illimitybank.com* platform, the stock of retail customer funding rose to **2.3 billion euro**, up by 49% y/y and 9% q/q, with net funding reaching over 607 million euro in the first nine months of 2023, benefiting among other things from the launch of the new current account offer that took place in the second quarter.

## Tech Initiatives:

### *b-ilty*

b-ilty, the first digital bank for small businesses, saw progress in terms of both volumes and profitability in the first nine months of the year, with a **pre-tax loss** which in the first nine months of 2023 fell to 5.4 million euro compared to 8.2 million euro during the same period of the previous year.

b-ilty consistently increased its business volumes in the first nine months of the year. **Customer loans** rose to 217 million euro, an increase of 41% over the previous quarter (+338% since the first quarter of 2023). It is additionally noted that the disbursed loans are all backed by public guarantees.

The number of customers rose significantly over the first nine months of 2023, increasing from 325 to around 2,000, thanks also to the conclusion of new partnerships and commercial distribution agreements. The pipeline continues to be robust, standing at over 100 million euro.

### *Quimmo*

The proptech **Quimmo** is able to count on managed assets of ca. 2.2 billion euro, of which around 92% arising from non-captive sources.

Quimmo dominates the judicial market, in which its market share has risen from 10% in 2021 to the 17% of these first nine months of the year, and continues to move rapidly on the open market, backed by the recent partnership concluded with COIMA, which saw the latter taking a stake of 18% in the share capital of ABILIO (Quimmo's parent company).

The company ended the first nine months of the year with a **pre-tax loss of 3.5 million euro**, planned to improve as a consequence of the benefits resulting from entry into the open market and the expected acceleration of the judicial market caused by the increase in insolvency procedures currently taking place.

### *HYPE*

HYPE, the 50-50 joint venture between illimity and Banca Sella Holding, confirmed its leadership position among retail fintech in the first nine months of 2023, with a customer base of 1.8 million, up by 8% over the same period of the previous year.

The number of transactions in the period increased by 31% to reach 96 million, compared to 73 million in the previous year.

The contribution margin rose significantly to 12.3 million euro from 1.5 million euro as at 30 September 2022.

Gross revenues, including net interest income, increased to 27.5 million euro, up by 94% y/y, with the customer contribution margin rising to 12.3 million euro[9] (7.2 million euro as at 30 September 2022).

The company ended the first nine months of 2023 with a net loss of 6.1 million euro. **illimity's pro-rata net loss amounted to 3.0 million euro**, an improvement over the net loss of 5.4 million euro incurred in the first nine months of 2022.

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**Resolution of the Board of Directors on the extraordinary tax on net interest income**

With reference to the provisions of Decree-Law no. 104 of 10 August 2023 "Urgent provisions to protection of users, regarding economic and financial activities and strategic investments" (the so-called Omnibus Decree) and converted into law on 9 October 2023, which an extraordinary tax calculated on the increase in net interest income was introduced, the Board of Directors at the same meeting resolved, making use of the option provided for by the aforementioned Law, to propose to the Shareholders' Meeting that will approve the 2023 Financial Statements and the allocation of the profit for the year, the allocation of a specific non-distributable equity reserve, to be defined against the precise determination of the net interest income for the year 2023, in accordance with the provisions of the applicable regulations.

* * *

## Business Outlook

The weak phase of Italian economic activity continued throughout the third quarter of the year, affected by more rigid lending conditions and a level of inflation which, despite being on the downturn, is still high. The ECB maintained its restrictive approach during the third quarter, increasing official interest rates twice for a total of 50 basis points.

While nevertheless operating in a challenging environment, illimity still managed to increase earnings in the first 9 months of the year, on the one hand leveraging on the mix of its core business, with the SME segment constantly growing and a distressed credit business picking up again in the third quarter, and on the other on its ability to exploit value from its IT platform thanks to the partnership concluded with Engineering.

A further rise in customer loans is expected in the final quarter of the year due to a constantly robust pipeline in all of the business divisions.

Revenues are expected at sustained levels, despite paying for the effects of the increase in the cost of funding of NPE operations concluded in the third quarter, as the result of an increase in business volumes that will act as a driver for net fees and commissions.

A slight increase in quarterly operating costs is expected in the last part of the year due to seasonality in business development.

Credit quality is expected to remain under control benefiting from the selective and prudent approach during the credit analysis phase, which will enable to maintain a contained cost of risk, also supported by a high level of loans backed by public guarantees.  It should also be noted that most

[9] Excluding net interest income the figure amounts to 2.5 million euro for the first nine months of 2023 and 1.5 million euro for the first nine months of 2022.

organic non-performing exposures are involved in restructuring processes or procedures aimed at restoring their financial position.

The liquidity profile will continue to be robust with a broad diversification of funding sources and a retail component expected to rise further.

As far as the capital position is concerned, the CET1 ratio is expected to remain at high levels in support of business growth.

While taking into account the current market scenario, based on the pipeline of transactions currently under evaluation, guidance on expected profits for the year is confirmed.

* * *

Pursuant to article 154-bis, paragraph 2 of Legislative Decree no. 58/1998 (the Consolidated Law on Finance), the Financial Reporting Officer, Mr. Sergio Fagioli, declares that the accounting information contained in this press release corresponds to the documented results and the accounting books and records.

* * * * *

**illimity** Management will present the results for the first nine months and 3rd quarter of 2023 to the financial community at **9:00 a.m. CET** today **10 November 2023**. The event can be followed via Live Audio Webcast at the following link: https://87399.choruscall.eu/links/illimity231110.html or by conference call via this link.

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**illimity Bank S.p.A.**

**illimity** is the high-tech banking group founded and headed by Corrado Passera that was created with the aim of responding to specific market needs by way of an innovative and specialist business model. More specifically, illimity extends financing to high-potential SMEs, purchases distressed corporate loans and services these through its platform ARECneprix and provides digital direct banking services through illimitybank.com. illimity SGR, which sets up and manages alternative investment funds, the first of which dedicated to UTP loans, is also a member of the Group. The story of the illimity Group began in January 2018 with the launch of the special purpose acquisition company SPAXS S.p.A., which ended with a record 600 million euro being raised on the market. SPAXS subsequently acquired Banca

Interprovinciale S.p.A., with the resulting merger between the two giving rise to “illimity Bank S.p.A.” which has been listed on the Italian Stock Exchange since 5 March 2019 (ticker “ILTY”), first on the MTA exchange and since September 2020 on the STAR segment. The banking group, headquartered in Milan, can already count on over 910 employees and ended 30 September 2023 with assets of around 6.8 billion euro.

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## CONSOLIDATED BALANCE SHEET

*(Figures in thousands of euro)*

| | | 30.09.2022 | 31.12.2022 | 31.03.2023 | 30.06.2023 | 30.09.2023 |
|---|---|---|---|---|---|---|
| 10 | Cash and cash balances | 364,019 | 680,777 | 339,632 | 536,342 | 321,388 |
| 20 | Financial assets measured at fair value through profit or loss | 150,351 | 105,043 | 110,701 | 118,250 | 158,970 |
| | *a) financial assets held for trading* | 32,374 | 31,146 | 30,840 | 33,555 | 34,780 |
| | *b) financial assets designated at fair value* | - | - | - | - | - |
| | *c) other financial assets mandatorily measured at fair value* | 117,977 | 73,897 | 79,861 | 84,695 | 124,190 |
| 30 | Financial assets measured at fair value through other comprehensive income | 396,180 | 391,710 | 384,268 | 450,641 | 453,886 |
| 40 | Financial assets measured at amortised cost | 3,716,729 | 4,386,730 | 4,543,304 | 4,877,608 | 4,812,252 |
| | *a) due from banks* | 38,504 | 57,213 | 97,682 | 111,655 | 119,724 |
| | *b) loans to customers* | 3,678,225 | 4,329,517 | 4,445,622 | 4,765,953 | 4,692,528 |
| 50 | Hedging derivatives | 28,263 | 29,874 | 28,203 | 29,204 | 31,393 |
| 60 | Fair value change of financial assets in hedged portfolios (+/-) | - | - | - | - | - |
| 70 | Investments in associates and companies subject to joint control | 78,336 | 76,375 | 83,221 | 81,953 | 81,194 |
| 80 | Insurance assets | - | - | - | - | - |
| | *a) insurance policies issued that constitute assets* | - | - | - | - | - |
| | *b) disposals in reinsurance that constitute assets* | - | - | - | - | - |
| 90 | Tangible Assets | 118,377 | 128,383 | 132,570 | 134,048 | 92,777 |
| 100 | Intangible assets | 130,566 | 135,101 | 137,382 | 144,688 | 145,294 |
| | *of which goodwill* | 65,372 | 65,372 | 65,376 | 69,992 | 69,992 |
| 110 | Tax assets | 65,934 | 78,592 | 75,773 | 77,622 | 77,393 |
| | *a) current* | 4,928 | 7,828 | 8,552 | 12,737 | 12,568 |
| | b) deferred | 61,006 | 70,764 | 67,221 | 64,885 | 64,825 |
| 120 | Non-current assets held for sale and discontinued operations | - | - | - | - | 350,039 |
| 130 | Other assets | 242,354 | 342,540 | 263,412 | 273,392 | 306,015 |
| | **Total Assets** | **5,291,109** | **6,355,125** | **6,098,466** | **6,723,748** | **6,830,601** |

| | | 30.09.2022 | 31.12.2022 | 31.03.2023 | 30.06.2023 | 30.09.2023 |
|---|---|---|---|---|---|---|
| 10 | Financial liabilities measured at amortized cost | 4,308,912 | 5,294,132 | 4,997,565 | 5,571,964 | 5,643,882 |
| | *a) due to banks* | *581,314* | *1,205,048* | *899,067* | *950,545* | 948,598 |
| | *b) due to customers* | *3,212,966* | *3,436,082* | *3,436,865* | *3,890,806* | 3,954,828 |
| | *c) debt securities issued* | *514,632* | *653,002* | *661,633* | *730,613* | 740,456 |
| 20 | Financial liabilities held for trading | 24,293 | 27,244 | 24,774 | 28,731 | 28,270 |
| 30 | Financial liabilities designated at fair value | - | - | - | - | - |
| 40 | Hedging derivatives | 1,908 | 32,646 | 32,289 | 34,485 | 33,541 |
| 50 | Adjustments in value of generic hedging financial liabilities (+/-) | - | - | - | - | - |
| 60 | Tax liabilities | 28,476 | 36,724 | 39,881 | 29,762 | 40,820 |
| | *a) current* | *25,103* | *33,372* | *36,836* | *25,630* | 37,041 |
| | *b) deferred* | *3,373* | *3,352* | *3,045* | *4,132* | 3,779 |
| 70 | Liabilities associated with non-current assets held for sale and discontinued operations | - | - | - | - | 392 |
| 80 | Other liabilities | 105,071 | 113,123 | 136,898 | 149,464 | 148,391 |
| 90 | Employee termination indemnities | 3,371 | 3,575 | 3,846 | 4,010 | 3,949 |
| 100 | Provisions for risks and charges: | 5,626 | 6,359 | 6,285 | 6,590 | 8,692 |
| | *a) commitments and guarantees issued* | *4,076* | *4,863* | *4,630* | *4,453* | 6,431 |
| | *b) pensions and similar obligations* | *28* | *28* | *27* | *30* | 34 |
| | *c) other provisions for risks and charges* | *1,522* | *1,468* | *1,628* | *2,107* | 2,227 |
| 110 | Insurance liabilities | - | - | - | - | - |
| | *a) insurance policies issued that constitute liabilities* | - | - | - | - | - |
| | *b) disposals in reinsurance that constitute liabilities* | - | - | - | - | - |
| 120 | Valuation reserves | (51,135) | (47,875) | (41,428) | (37,480) | (37,813) |
| 130 | Redeemable shares | - | - | - | - | - |
| 140 | Equity instruments | - | - | - | - | - |
| 150 | Reserves | 135,635 | 135,516 | 212,212 | 200,268 | 201,596 |
| 160 | Share premium reserves | 624,583 | 624,583 | 624,583 | 624,583 | 624,583 |
| 170 | Share capital | 54,514 | 54,514 | 54,514 | 54,671 | 54,691 |
| 180 | Treasury shares | (747) | (747) | (747) | (747) | (747) |
| 190 | Minority interests | *5* | *5* | *5* | *5,278* | 5,348 |
| 200 | Profit (loss) for the period attributable to the Group (+/-) | 50,597 | 75,326 | 7,789 | 52,169 | 75,006 |
| | **Group equity** | **813,447** | **841,317** | **856,923** | **893,464** | **917,316** |
| | Profit (loss) for the period attributable to minority interests (+/-) | - | - | - | - | - |
| | Equity of minority interests | 5 | 5 | 5 | 5,278 | 5,348 |
| | **Total liabilities and equity** | **5,291,109** | **6,355,125** | **6,098,466** | **6,723,748** | **6,830,209** |

**CONSOLIDATED INCOME STATEMENT**

*(Figures in thousands of euro)*

| | | 1Q22 | 2Q22 | 3Q22 | 4Q22 | 1Q23 | 2Q23 | 3Q23 | | 9M22 | 9M23 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 10 | Interest income and similar income | 51,735 | 54,400 | 59,090 | 73,468 | 86,291 | 94,612 | 106,307 | | 165,225 | 287,210 |
| | *of which interest income calculated according to the effective interest method* | | | | | | | | | | - |
| 20 | Interest expenses and similar charges | (15,500) | (16,158) | (16,628) | (26,272) | (37,580) | (44,921) | *(55,753)* | | (48,286) | (138,254) |
| 30 | **Net interest margin** | **36,235** | **38,242** | **42,462** | **47,196** | **48,711** | **49,691** | **50,554** | - | **116,939** | **148,956** |
| 40 | Commission receivable | 13,620 | 15,848 | 15,328 | 20,905 | 16,383 | 18,429 | 19,901 | | 44,796 | 54,713 |
| 50 | Commission expense | (1,165) | (1,428) | (1,615) | (2,243) | (1,696) | (1,712) | (1,870) | | (4,208) | (5,278) |
| 60 | **Net commission** | **12,455** | **14,420** | **13,713** | **18,662** | **14,687** | **16,717** | **18,031** | - | **40,588** | **49,435** |
| 70 | Dividends and similar income | - | - | 200 | - | - | - | 45 | | 200 | 45 |
| 80 | Net trading result | 1,366 | 1,640 | 3,135 | (1,412) | (994) | (370) | 1,298 | | 6,141 | (66) |
| 90 | Net hedging result | - | - | - | - | (41) | (11) | (12) | | - | (64) |
| 100 | Gain (loss) from disposal and repurchase of: | 30 | (29) | (69) | (399) | 1,026 | (1,792) | (3) | | (68) | (769) |
| | *a) financial assets measured at amortized cost* | *40* | *11* | *(36)* | *(4)* | *1,025* | *(1,008)* | - | | *15* | *17* |
| | *b) financial assets measured at fair value through other comprehensive income* | *(10)* | *(40)* | *(33)* | *(91)* | *1* | *(784)* | *(3)* | | *(83)* | *(786)* |
| | *c) financial liabilities* | - | - | - | *(304)* | - | - | - | | - | - |
| 110 | Gain (loss) on other financial assets and liabilities measured at fair value through profit or loss | 1,355 | 4,279 | 1,381 | 1,738 | (75) | 1,263 | 6,492 | | 7,015 | 7,680 |
| | *a) financial assets and liabilities designated at fair value* | - | - | - | - | - | - | - | | - | - |
| | *b) other financial assets subject to mandatory fair-value valuation* | *1,355* | *4,279* | *1,381* | *1,738* | *(75)* | *1,263* | *6,492* | | *7,015* | *7,680* |
| 120 | **Net interest and other banking income** | **51,441** | **58,552** | **60,822** | **65,785** | **63,314** | **65,498** | **76,405** | - | **170,815** | **205,217** |
| 130 | Net write-downs/write-backs for credit risks relating to: | 14,399 | 9,887 | 16,311 | 8,294 | 4,689 | 3,277 | 18,999 | | 40,597 | 26,965 |
| | *a) financial assets measured at amortized cost* | *14,941* | *10,058* | *16,516* | *8,668* | *4,930* | *3,423* | *18,880* | | *41,515* | *27,233* |
| | *b) financial assets measured at fair value through other comprehensive income* | *(542)* | *(171)* | *(205)* | *(374)* | *(241)* | *(146)* | *119* | | *(918)* | *(268)* |
| 140 | Gain/loss from contract amendments without cancellations | - | - | - | - | - | - | - | | - | - |
| 150 | **Net result from banking activities** | **65,840** | **68,439** | **77,133** | **74,079** | **68,003** | **68,775** | **95,404** | - | **211,412** | **232,182** |
| 160 | Profit (loss) from insurance services | - | - | - | - | - | - | - | | - | - |
| | *a) insurance revenues deriving from insurance policies issued* | - | - | - | - | - | - | - | | - | |
| | *b) costs for insurance services deriving from insurance policies issued* | - | - | - | - | - | - | - | | - | |
| | *c) insurance revenues deriving from disposals in reinsurance* | - | - | - | - | - | - | - | | - | |
| | *d) costs for insurance services deriving from disposals in reinsurance* | - | - | - | - | - | - | - | | - | |
| 170 | Balance of financial revenues and costs relating to insurance management | - | - | - | - | - | - | - | | - | - |
| | *a) net financial costs/revenues relating to insurance policies issued* | - | - | - | - | - | - | - | | - | |
| | *b) net financial revenues/costs relating to disposals in reinsurance* | - | - | - | - | - | - | - | | - | |
| 180 | **Net result from banking and insurance activities** | **65,840** | **68,439** | **77,133** | **74,079** | **68,003** | **68,775** | **95,404** | - | **211,412** | **232,182** |
| 190 | Administrative expenses: | (44,137) | (45,565) | (45,829) | (51,468) | (47,663) | (51,862) | (50,433) | | (135,531) | (149,958) |
| | *a) staff costs* | *(20,651)* | *(22,702)* | *(20,830)* | *(21,688)* | *(23,068)* | *(27,131)* | *(22,127)* | | *(64,183)* | *(72,326)* |
| | *b) other administrative expenses* | *(23,486)* | *(22,863)* | *(24,999)* | *(29,780)* | *(24,595)* | *(24,731)* | *(28,306)* | | *(71,348)* | *(77,632)* |
| 200 | Net provisions for risks and charges | 581 | 388 | (875) | (801) | 83 | 573 | (1,979) | | 94 | (1,323) |
| | *a) commitments and financial guarantees issued* | *609* | *398* | *(875)* | *(801)* | *233* | *178* | *(1,979)* | | *132* | *(1,568)* |
| | *b) other net provisions* | *(28)* | *(10)* | - | - | *(150)* | *395* | - | | *(38)* | *245* |
| 210 | Net value adjustments to/recoveries on tangible assets | (792) | (955) | (1,464) | (990) | (1,143) | (1,000) | (6,539) | | (3,211) | (8,682) |
| 220 | Net value adjustments to/recoveries on intangible assets | (2,620) | (2,957) | (3,633) | (3,860) | (4,105) | (4,232) | (4,417) | | (9,210) | (12,754) |
| 230 | Other operating income/expenses | 7,115 | 6,661 | 6,063 | 7,876 | (2,102) | 56,665 | 2,984 | | 19,839 | 57,547 |
| 240 | **Operating expenses** | **(39,853)** | **(42,428)** | **(45,738)** | **(49,243)** | **(54,930)** | **144** | **(60,384)** | - | **(128,019)** | **(115,170)** |
| 250 | Profit (loss) on investments in associates and companies subject to joint control | (1,828) | (2,020) | (1,817) | (1,968) | (1,162) | (1,270) | (845) | | (5,665) | (3,277) |
| 260 | Valuation differences on tangible and intangible assets measured at fair value | - | - | - | - | - | - | - | | - | - |
| 270 | Adjustments in value of goodwill | - | - | - | - | - | - | - | | - | - |
| 280 | Gain (loss) from disposal of investments | (77) | - | - | 343 | 147 | - | 140 | | (77) | 287 |
| 290 | **Pre-tax profit (loss) before tax from continuing operations** | **24,082** | **23,991** | **29,578** | **23,211** | **12,058** | **67,649** | **34,315** | - | **77,651** | **114,022** |
| 300 | Tax income (expenses) for the period on continuing operations | (8,407) | (8,198) | (10,449) | 1,518 | (4,269) | (23,296) | (11,715) | | (27,054) | (39,280) |
| 310 | **Profit (loss) after tax from continuing operations** | **15,675** | **15,793** | **19,129** | **24,729** | **7,789** | **44,353** | **22,600** | - | **50,597** | **74,742** |
| 320 | Profit (loss) after tax from discontinued operations | - | - | - | | - | - | - | | - | - |
| 330 | **Profit (loss) for the period** | **15,675** | **15,793** | **19,129** | **24,729** | **7,789** | **44,353** | **22,600** | - | **50,597** | **74,742** |
| 340 | Profit (loss) for the period attributable to minority interests | - | - | | | - | 27 | 237 | | - | 264 |
| 350 | **Profit (loss) for the period attributable to the Parent Company** | **15,675** | **15,793** | **19,129** | **24,729** | **7,789** | **44,380** | **22,837** | - | **50,597** | **75,006** |