MONTE DEI PASCHI DI SIENA
BANCA DAL 1472

PRESS RELEASE

BOARD OF DIRECTORS APPROVES CONSOLIDATED PRELIMINARY RESULTS AS AT 31 DECEMBER 2022

Q4 NET PROFIT OF EUR 156 MILLION, CONFIRMING THE BANK'S CAPABILITY TO GENERATE SUSTAINABLE PROFITABILITY

PROFIT BENEFITS FROM THE GROWTH (OVER 60%) IN PRE-PROVISION PROFIT AND HR COST SAVINGS DUE TO OVER 4,000 STAFF EXITS AT THE BEGINNING OF DECEMBER, WITH SAVINGS OF MORE THAN 300 MILLION IN 2023 ONCE FULLY PHASED IN

NET PROFIT FOR THE YEAR, EXCLUDING ONE-OFF RESTRUCTURING COSTS FOR STAFF EXITS (EUR 925 MILLION), AT EUR 720 MILLION, BOOSTED BY PRE-PROVISION PROFIT OF EUR 989 MILLION AND POSITIVE TAX IMPACT OF EUR 425 MILLION

POST ONE-OFF RESTRUCTURING COSTS LINKED TO VOLUNTARY EXITS, NET RESULT OF EUR -205 MILLION AT END-2022

Q4 PRE-PROVISION PROFIT RISES SHARPLY TO EUR 333 MILLION (+64.5% Q/Q AND +65.6% Y/Y) THANKS TO REVENUES (+15.6% Q/Q AND 16.6% Y/Y) AND LOWER COSTS (-3.2% Q/Q AND -2.3% Y/Y)

PRE-PROVISION PROFIT FOR THE YEAR AT EUR 989 MILLION (+13.2% Y/Y AND +28% Y/Y NET OF GAINS FROM SALE OF SECURITIES)

SHARP IMPROVEMENT IN NET INTEREST INCOME (26% Y/Y), WITH STRONG ACCELELERATION ALSO IN LAST QUARTER THANKS TO POSITIVE COMMERCIAL SPREAD TREND (+54BPS Q/Q AND +86BPS Y/Y)

VOLUME TREND IN LINE WITH BUSINESS PLAN STRATEGY, WITH RETAIL LOANS AND DEPOSITS REMAINING LARGELY STABLE

Q4 AND FY NET FEES AND COMMISSIONS IMPACTED BY MARKET VOLATILITY, ESPECIALLY UP-FRONT FEES ON WEALTH MANAGEMENT PRODUCT PLACEMENTS, DUE ALSO TO MARKET RATE TREND

4Q REDUCTION IN OPERATING EXPENSES (-3.2% Q/Q) THANKS TO HR SAVINGS FROM STAFF EXITS AS OF 1 DECEMBER, BRINGING THE TREND TO -2.3% Y/Y

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4Q COST/INCOME RATIO FALLS TO 60%, VS. 72% IN 3Q AND ALREADY IN LINE WITH BUSINESS PLAN TARGET AT END-2024 (60%)

GROSS NPEs AT EUR 3.3 BILLION, DOWN approx. 20% Y/Y, THANKS TO DISPOSAL OF EUR 0.9 BILLION PORTFOLIO AND ONGOING PROACTIVE EXPOSURES MANAGEMENT:

- **GROSS NPE RATIO AT 4.2% (4.9% IN 2021)**
- **NET NPE RATIO AT 2.2% (2.6% IN 2021)**
- **Y/Y INCREASE IN TOTAL COVERAGE OF IMPAIRED LOANS AT 48.1%**
- **ANNUAL PROVISIONING RATE OF 55 BPS**

FULLY LOADED CET 1 RATIO AT 15.6% (11% IN 2021)
HAVING BENEFITTED, ON TOP OF CAPITAL INCREASE, FROM A 90BPS INCREASE IN 4Q, THANKS TO REDUCTION OF RWAs AND PROFIT

SOLID LIQUIDITY POSITION EVEN AFTER EUR 10 BILLION TLTRO III REIMBURSEMENT: LCR >190% AND NSFR >130%

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IMPORTANT 2022-2026 BUSINESS PLAN ACTIONS ALREADY IMPLEMENTED IN JUST 6 MONTHS, IMPROVING THE BANK'S CAPITAL STRENGTH, RISK PROFILE, EFFICIENCY AND PROFITABILITY:

- **EUR 2.5 BILLION CAPITAL INCREASE SUCCESSFULLY COMPLETED; CAPITAL RATIOS WITH GENEROUS BUFFERS VS. SREP REQUIREMENTS**
- **EARLY RETIREMENT SCHEME IMPLEMENTED WITH A SOCIALLY RESPONSIBLE APPROACH: OVER 4,000 VOLUNTARY EXITS, WITH YEAR-ON-YEAR COST BASE REDUCTION OF MORE THAN EUR 300 MILLION AND ONE-OFF COSTS FULLY EXPENSED IN 3Q22**
- **NPEs REDUCED THANKS TO DISPOSAL OF EUR 0.9 BILLION PORTFOLIO**
- **NEW NETWORK ORGANISATION IMPLEMENTED TO IMPROVE CUSTOMER COVERAGE WITH 14 REGIONAL RETAIL DIVISIONS AND 14 CORPORATE AND PRIVATE DIVISIONS NATIONWIDE**
- **GROUP'S ORGANISATIONAL STRUCTURE STREAMLINED: CONSORZIO OPERATIVO MERGED IN DECEMBER AND PROCESS FOR MERGER OF MPS CAPITAL SERVICES AND MPS LEASING & FACTORING STARTED, WITH COMPLETION EXPECTED WITHIN 1H23**
- **DOUBLE-DIGIT GROWTH (+21% Y/Y) OF BANCA WIDIBA REVENUES AND LAUNCH OF COMMUNICATIONS INVESTMENT PLAN AND CAMPAIGN TO RECRUIT FINANCIAL ADVISORS AS OF THE START OF 2023**
- **DECREASE OF ECB FUNDING BEGUN, LOWERING TLTRO III EXPOSURE TO EUR 19.5 BILLION**

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Siena, 8 February 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 Patrizia Grieco, has reviewed and approved the consolidated results as at 31 December 2022.

Group profit and loss results as at 31 December 2022

The **Group's total revenues** as at 31 December 2022 stand at **EUR 3,088 million**, up 3.6% year-on-year.

This increase is mainly due to net interest income, which benefited from the rise in rates and the evolution of the commercial activity. The positive trend in net interest income more than offset the decline in net commissions as well as other revenues dynamic, affected by one-off effects.

Revenues for the fourth quarter of 2022 register an increase of 15.6% compared to the previous quarter. Specifically, there was an increase in income from banking activities (+14.3%) due to the growth in net interest income (+31.4%), which more than offset the decrease in net fees and commissions (-5.6%). Other income from financial operations also increases quarter-on-quarter owing to the higher contribution from trading income.

Net interest income as at 31 December 2022 stands at **EUR 1,539 million**, up 26.0% from 2021. The increase was mainly due to the higher contribution of the commercial segment, which benefitted mostly from the higher interest income on loans generated by the rise in rates and by the commercial activity. On the other hand, a year-on-year reduction was seen in the contribution from transactions with central banks, due mainly to new rates applied as well as the amendments to the terms and conditions applied to TLTRO III auctions[1].

Net interest income for the fourth quarter of 2022 is up from the previous quarter (+31.4%) mainly due to the higher contribution from commercial lending, which benefited from the further rise in rates. The contribution from transactions with central banks also registers an increase; in

[1] With regard to applicable terms and conditions, note that as of 24 June 2022, the interest rate applied and settled on maturity is the average rate on deposits with the Central Bank calculated between the settlement date and 22 November 2022. Finally, in the period between 23 November 2022 and the maturity date or early repayment date, if applicable, the interest rate is the average rate on deposits with the Central Bank calculated over the same period.

fact, the decrease in the TLTRO III benefit (as a result of the aforementioned monetary policy measures) was more than offset by the higher income on deposits with central banks.

Net fees and commissions as at 31 December 2022, amounting to **EUR 1,365 million**, are down Y/Y (-8.0%) mainly due to high market volatility that affected income from wealth management.

The 4Q22 contribution is down from the previous quarter (-5.6%), mainly owing to the decline in product placement commissions and wealth management products, due to rate scenario and increased customer appetite for fixed income securities.

Dividends, similar income and profit (loss) on investments amount to **EUR 85 million** and are down compared to 31 December 2021 (EUR -28 million) as a result of the lower income from equity investments in insurance associates AXA[2] that impacted mainly the second quarter of the year; dividends, on the other hand, register an increase. The 4Q22 remains stable against the previous quarter.

Net profit (loss) from trading, financial assets/liabilities measured at fair value and gains from disposals/repurchases as at 31 December 2022 amounts to **EUR 74 million**, down EUR 111 million from the figures recorded in the same period of the previous year, largely linked to a decrease in the sale of securities (approximately EUR 49 million in 2022 compared to approximately EUR 139 million in 2021). The 4Q22 result, on the other hand, is up EUR 9 million against the previous quarter.

As at 31 December 2022, **operating expenses** amount to **EUR 2,099 million**, dipping slightly against the previous year; the 4Q22 costs also registers a decline compared to the previous quarter (-3.2%). An analysis of the main aggregates shows that:

- **personnel expenses**, amounting to **EUR 1,394 million**, are down 2.4% compared to 31 December 2021, having benefitted from the downward headcount trend, mainly relating to more than 4,000 exits through the Early Retirement Scheme or access to the Solidarity Fund under the trade union agreement of 4 August 2022. The 4Q22 contribution is down 7.6% from the previous quarter, as a result of the aforementioned exits, almost all of which occurred at the start of December. The full benefit of the related savings is expected in the course of 2023;
- **non-HR costs**, amounting to **EUR 527 million**, are up 5.8% year-on-year (which had also benefited from contingent assets), partly due to legal expenses, inflationary expenses and energy cost increases. The 4Q22 contribution registers a 5.2% increase against the previous quarter.

As a result of the above trends, the Group's **pre-provision profit** amounts to **EUR 989 million** (EUR 874 million as at 31 December 2021), with 4Q22 contributing EUR 333 million, rising EUR

[2] AXA-MPS is consolidated at net equity in the Group's financial accounts.

131 million against the previous quarter; fourth quarter increased by more than 60% Q/Q and Y/Y.

Due to this trend in revenues and costs, the cost/income ratio fell from 72% in the last quarter of 2021 to 60% in the fourth quarter of 2022, already in line with the 2024 Plan target.

Loan loss provisions booked by the Group as at 31 December 2022 amount to **EUR 417 million**, up from the EUR 250 million registered in the previous year. The 2022 figure includes adjustments relating to the disposal of non-performing loans resulting from the use of disposal scenarios in the estimation models, as well as the cost deriving from the updated macroeconomic scenarios. The cost of credit for 2022 shows an increase compared to 2021 mainly due to the write-backs (amounting to approximately EUR 130 million) registered last year on a number of significant positions, for which certain corporate events had improved their risk profile.

Loan loss provisions in 4Q22, which stand at EUR 97 million, are in line with the EUR 95 million recorded in the previous quarter. Excluding the additional adjustments relating to the updated macroeconomic scenarios from the third-quarter figure, the aggregate is up in the quarter-on-quarter comparison due also to the higher adjustments on default positions.

As at 31 December 2022, the ratio between the cost of customer loans and the sum of customer loans plus the value of securities from the disposal/securitisation of NPEs reflects a **provisioning rate of 55 bps** (31 bps as at 31 December 2021).

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

- **net provisions for risks and charges** with provisions of EUR 41 million in the fourth quarter, related to provisions on certain types of legal risks. In 2022 they were accounted for with write-backs of EUR 2 million, an improvement on the EUR 99 million in provisions registered in 2021. The releases of provisions booked in 2022 were mainly due to (i) the improvement registered in the risk profile of certain types of legal risks and (ii) the increase in the discounting effect in line with the interest rate scenario;
- **other gains (losses) on investments** amounting to **EUR +4 million,** compared to a profit of EUR 2 million recorded in 2021, with 4Q22 contributing essentially nil compared to the EUR +3 million registered in the third quarter;
- **restructuring costs/one-off charges** totalling **EUR -931 million**, compared to EUR -7 million recorded for the previous year. The 2022 figure includes provisions booked in 3Q22 for the redundancy/solidarity fund scheme related to more than 4,000 people, as per the trade union agreement of 4 August 2022;
- **risks and charges related to SRF, DGS and similar schemes,** totalling **EUR -180 million,** consisting of: the Group's contribution due to the Single Resolution Fund (SRF), recognised in 1Q22 in the amount of EUR -89 million; the total amount of EUR -90 million paid to the Interbank Deposit Protection Fund (DGS), booked for EUR -83 million in 3Q22 and for EUR -7 million in 4Q22; the write-off recognised on the

exposures to the FITD Voluntary Scheme (mainly for the Carige transaction) totalling EUR -1 million. The balance registered in 2021 amounted to EUR -169 million;

- **DTA fees**, totalling **EUR -63 million**, remain largely unchanged compared to the same period of last year. 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 31 December 2021 for DTAs (Deferred Tax Assets) which are convertible into tax credits;
- **net gains (losses) from measurement at fair value of tangible and intangible assets,** in the amount of **EUR -31 million**, of which EUR -11 million booked in the second quarter and EUR -20 million in the fourth quarter. The item includes the write-down of operating and investment properties, pursuant to the remeasurement of value and fair value respectively. The balance registered in 2021 was EUR -44 million;
- **gains (losses) on disposal of investments** totalling **EUR 1 million.** The aggregate showed a positive balance of EUR 14 million as at 31 December 2021, as a result of the sale of real estate.

Taxes on profit (loss) from continuing operations register a positive contribution of **EUR 425 million** (EUR +49 million as at 31 December 2021), largely due to the valuation of DTAs.

With regard to taxable income for future financial years, it should be noted that the valuation of DTAs was determined on the basis of the new income projections contained in the 2022-2026 Business Plan, approved by the Parent Company’s Board of Directors on 22 June 2022, and used as of the interim report as at 30 September 2022. As a matter of prudence, for the purpose of estimating future taxable income for the years after 2024, the income statement relating to 2024 was assumed instead of the last year of the Plan, increasing it by a compound measure of a long-term growth rate period for each year of the estimation-time horizon.

Considering the net effects of PPA (EUR -2.7 million), the Group’s consolidated loss amounts to EUR -205 million against a profit of EUR 310 million reported for 2021.

The fourth quarter of 2022 registers a profit for the Parent Company of EUR 156 million, compared to a loss of EUR -388 million registered in the third quarter.

Group balance sheet aggregates as at 31 December 2022

Direct funding volumes stand at **EUR 82.0 billion**, down EUR 1.8 billion vs. the end of September 2022, with stable retail funding. The downturn is mainly attributable to the decline in time deposits (EUR -0.8 billion), in line with the strategy to reduce the costlier components.

Compared to 31 December 2021, the aggregate is down EUR 8.3 billion. More specifically, there is a decline in repos (EUR -3.7 billion), due to the reduced operations of MPS Capital Services, and in bonds (EUR -1.8 billion), resulting from the maturity of one covered bond and one institutional bond.

The Group's direct funding market share[3] stands at 3.40% (updated to October 2022), almost from December 2021 (at 3.47%).

Indirect funding amounts to **EUR 92.4 billion**, up EUR 0.9 billion compared to 30 September 2022, thanks to the growth of assets under custody (EUR +1.2 billion). The latter benefited from both the positive market effect and positive net flows due to renewed customer interest in government bonds, also as a result of the rise in yields. A slight decrease is registered for assets under management (EUR -0.3 billion).

The comparison with 31 December 2021 shows a reduction in indirect funding of EUR 12.0 billion, including both assets under management (EUR -7.6 billion) and assets under custody (EUR -4.5 billion); both components were affected by the negative market effect, despite positive net inflows.

As at 31 December 2022, the Group's **customer loans** amount to **EUR 76.3 billion**, down from the end of September 2022 (EUR -1.7 billion). The decrease is due to the selective approach on large corporate and the substantial volume of maturities at year-end, also related to the restart of post moratoria SMEs repayments.

The aggregate is down EUR 3.1 billion compared to 31 December 2021.

The Group's market share[4] stands at 4.36% (updated to October 2022), up 10 bps from the end of 2021.

The Group's total non-performing customer exposures as at 31 December 2022 stand at **EUR 3.3 billion** in terms of gross exposure, registering a decrease compared to 30 September 2022 (at EUR 4.1 billion) and 31 December 2021 (at EUR 4.1 billion).

As at 31 December 2022, the **Group's net non-performing customer exposures stand at EUR 1.7 billion**, down from 30 September 2022 (exposure at EUR 1.9 billion) and from 31 December 2021 (exposure at EUR 2.1 billion); as for gross exposures, the decrease was due to the deconsolidation of loans sold as part of the disposal transaction completed in Q4.

As at 31 December 2022, **coverage of non-performing loans** stands at 48.1%, lower than the 53.6% registered as at 30 September 2022, mainly as a result of the lower coverage of bad loans (which decreased from 70.2% as at 30 September 2022 to 65.1% as at 31 December 2022) and of UTPs (which decreased from 39.8% as at 30 September 2022 to 37.5% as at 31 December 2022). The lower coverage of NPEs (and, in particular, that of bad loans) is due to the deconsolidation of non-performing loans sold as part of the disposal transaction completed in Q4, which were characterised by higher-than-average coverage ratios.

As at 31 December 2022, the Group's **securities assets** amount to **EUR 18.4 billion**, down from 30 September 2022 (EUR -1.4 billion) as a result of the decrease in financial assets held

[3] Deposits and repos (excluding repos with central counterparties) from resident consumer customers and bonds, net of repurchases, placed with resident consumer customers as first-instance borrowers.

[4] Loans to resident consumer customers, including bad loans and net of repos with central counterparties.

for trading, largely attributable to the subsidiary MPS Capital Services. Securities at amortised cost, on the other hand, register an increase (EUR +1.0 billion), in line with the portfolio strategy; the other components are substantially stable.

The aggregate is also down compared to 31 December 2021 (EUR -3.7 billion) due to the decrease in both financial assets held for trading, largely attributable to the subsidiary MPS Capital Services, and financial assets measured at fair value through other comprehensive income.

The Group's **net interbank position** as at 31 December 2022 stands at **EUR 7.0 billion** in funding, against EUR 8.4 billion in funding as at 30 September 2022. The decline is linked to the maturity – on 21 December 2022 – of the TLTRO tranche obtained in the December 2019 auction, amounting to EUR 4 billion, and the simultaneous early reimbursement of a further EUR 6 billion from the tranche obtained in the June 2020 auction; these outflows led to a in decline in current accounts and demand deposits with central banks (EUR -5.1 billion) as well as a reduction in loans to central banks (EUR -3.8 billion).

The operational liquidity position at the end of December 2022 shows an **unencumbered counterbalancing capacity of approximately EUR 25.5 billion**, essentially stable against 31 December 2021 (at EUR 25.4 billion).

As at 31 December 2022, the **Group's shareholders' equity and non-controlling interests** amount to approximately **EUR 7.8 billion,** up EUR 2.5 billion from 30 September 2022, chiefly as a result of the successfully completed capital increase in November 2022.

Compared to 31 December 2021, the Group's shareholders' equity and non-controlling interests register an increase of EUR 1.6 billion, attributable to the: i) capital strengthening transaction completed in November 2022; ii) reduction in valuation reserves; iii) the net loss recorded in 2022.

As regards capital ratios, the **phased-in Common Equity Tier 1 Ratio** as at 31 December 2022 is up at 16.6% (vs. 12.5% at the end of 2021 and 10.0% as at 30 September 2022), **the fully loaded Common Equity Tier 1 Ratio** is up at 15.6% (vs. 11.0% at end-2021 and 9.0% as at 30 September 2022) and the **phased-in Total Capital Ratio** is up at 20.5% (vs. 16.1% at the end of 2021 and 13.9% as at 30 September 2022).

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The bank stepped up the process of integrating ESG criteria into strategy and business, achieving certain targets ahead of Plan and improving sustainability ratings:

- increase in new ESG loans (13% of total new loans vs Plan target of 10% by 2024);
- growth in managed assets invested in ESG products (43% vs Plan target of 40% by 2024);

- 36% of management roles in the Group is held by women, a diversity and inclusion benchmark parameter (35% the Plan target by 2023);
- improvement of ESG rating: Standard Ethics "EE" with long term expected "EE+"; Moody's ESG from 42 to 46;
- support to customers in agri-cultural transition having signed new agreements and opened new specialised centres.

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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

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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.

Note also 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, it should be noted that the independent auditors are in the process of completing the audit of the financial statements.

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 negative contribution (EUR -3.1 million) of the Purchase Price Allocation (PPA), referable to past business combinations, which was reclassified to a specific item. Moreover, the portion relating to customer reimbursements of EUR -0.4 million, for which provisions had been set aside, was reclassified under the item "other net provisions for risks and charges";

- Item **"net fees and commissions"** includes item 40 "fee and commission income", cleared of the contribution from customer reimbursements in previous financial years (EUR -6.3 million), which was reclassified to "other net provisions for risks and charges", and item 50 "fee and commission expense", reduced by the portion of contingent liabilities (EUR -0.3 million), reclassified to "other operating income (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, consolidated at net equity, equal to EUR 64.0 million, included under item 250 "gains (losses) on investments". The aggregate was furthermore cleared of dividends earned on securities other than equity investments (EUR 5.0 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, net of the contribution of loans to customers (EUR 2.8 million), reclassified under "cost of customer loans" 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 6.7 million) and securities from the disposals/securitisations of NPLs (EUR 0.7 million) reclassified under “cost of customer loans”. The item also includes dividends earned on securities other than equity investments (EUR 5.0 million), while it was cleared of the write-off recognised on exposures to the Interbank Deposit Protection Fund (FITD) Voluntary Scheme for approximately EUR 0.9 million, which has been reclassified to "Risks and charges related to SRF, DGS and similar schemes”.

- 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 199.8 million), and net of the rental income component, which is reclassified under item “net value adjustments to property, plant and equipment and intangible assets” (EUR 8.1 million). The item also includes the amount of certain contingent liabilities recognised under “fee and commission expense” for EUR -0.3 million.

- Item **“personnel expenses”** includes the balance of item 190a “personnel expenses” reduced by costs of EUR 928.3 million – relating to exits through the early-retirement or the Solidarity Fund scheme as per the trade union agreement of 4 August 2022 – which have been 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 178.8 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 62.9 million, reclassified under the item “DTA fees”;
    - charges of EUR 3.2 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 199.8 million di euro) 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”, and was cleared of the negative contribution (of EUR -0.9 million) referable to the Purchase Price Allocation (PPA), which was reclassified to a specific item, while it includes rental income (EUR 8.1 million) posted under item 230 “other operating expenses/income”.

- Item **“cost of customer loans”** 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 2.8 million), 110b “net profit (loss) on financial assets and liabilities measured at fair value” (EUR 6.7 million), 130a “net value losses/reversals for credit risk on financial assets measured at amortised cost" (EUR -429.4 million), 140 "modification gains/(losses) without derecognition" (EUR +4.3 million) and 200a "net provisions for risks and charges for commitments and guarantees issued" (EUR -2.0 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 +0.7 million).

- Item **"net value adjustments on impairment of securities and bank loans"** includes the portion relating to securities (EUR -2.2 million) and loans to banks (EUR +1.3 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" (EUR -0.2 million).

- 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 -2.0 million), which has been reclassified to the specific item "cost of customer loans". The item also includes customer reimbursements in previous financial years recognised under "net interest income" for EUR -0.4 million and under "fee and commission income" for EUR -6.3 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, consolidated at net equity, equal to EUR 64.0 million reclassified under "dividends, similar income and gains (losses) on investments".

- Item **"restructuring costs/one-off charges"** includes the following amounts:
  - costs of EUR 928.3 million, relating to exits through the early-retirement or the Solidarity Fund scheme, posted under item 190b "personnel expenses";
  - charges of EUR 3.2 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 178.8 million, posted under item 190b "other administrative expenses", as well as the write-off recognised on the exposure to the Interbank Deposit Protection Fund (FITD) Voluntary Scheme for EUR 0.9 million, booked under item 110 "net profit (loss) on other financial assets and liabilities measured at fair value through profit and loss"".

- 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 62.9 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" and is net of the theoretical tax component relating to the Purchase Price Allocation (PPA), reclassified to a specific item in the amount of EUR 1.3 million.

The overall negative effects of **Purchase Price Allocation** (PPA) have been reclassified to the specific item, thereby separating them from the P&L items concerned (in particular "net interest income" for EUR -3.1 million and "net value adjustments to property, plant and equipment" for EUR -0.9 million, net of a theoretical tax burden of EUR +1.3 million which integrates the item).

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)	31 12 2022	31 12 2021	Chg.
Net interest income	1,538.7	1,221.5	26.0%
Net fee and commission income	1,364.6	1,484.0	-8.0%
Other income from banking business	165.7	310.8	-46.7%
Other operating income and expenses	19.4	(36.5)	n.m.
Total Revenues	3,088.5	2,979.8	3.6%
Operating expenses	(2,099.2)	(2,105.9)	-0.3%
Cost of customer credit	(416.9)	(250.0)	66.8%
Other value adjustments	(1.1)	5.3	n.m.
Net operating income (loss)	571.2	629.2	-9.2%
Non-operating items	(1,198.7)	(365.8)	n.m.
Parent company's net profit (loss) for the period	(204.7)	309.5	n.m.
EARNINGS PER SHARE (EUR)	31 12 2022	31 12 2021*	Chg.
Basic earnings per share	(0.975)	31.389	n.m.
Diluted earnings per share	(0.975)	31.389	n.m.
BALANCE SHEET FIGURES AND INDICATORS (EUR mln)	31 12 2022	31 12 2021	Chg.
Total assets	120,172.9	137,868.6	-12.8%
Loans to customers	76,265.3	79,380.3	-3.9%
Direct funding	81,997.6	90,300.3	-9.2%
Indirect funding	92,420.7	104,429.7	-11.5%
of which: assets under management	57,733.6	65,285.5	-11.6%
of which: assets under custody	34,687.1	39,144.2	-11.4%
Group net equity	7,797.6	6,172.7	26.3%
OPERATING STRUCTURE	31 12 2022	31 12 2021	Chg.
Total headcount - end of period	17,020	21,244	(4,224)
Number of branches in Italy	1,362	1,368	(6)

** Earnings per share and diluted earnings per share as at 31 December 2021 have been restated compared to those published at the respective reporting date, following 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 (%)	31 12 2022	31 12 2021	Chg.
Cost/Income ratio	68.0	70.7	-2.7
ROE (on average equity)	(2.9)	5.2	-8.1
ROA	(0.2)	0.2	-0.4
ROTE	(3.0)	5.3	-8.3
CREDIT QUALITY RATIOS (%)	31 12 2022	31 12 2021	Chg.
Net non performing loans to customers / Loans to Customers (Net NPL	2.2	2.6	-0.4
Gross NPL ratio	3.6	3.8	-0.2
Rate of change of non-performing loans to customers	(19.6)	2.5	-22.1
Bad loans to custormers/ Loans to Customers	0.6	0.8	-0.2
Loans to customers measured at amortised cost - Stage 2/Performing loans to customers measured at amortised cost	14.9	16.0	-1.1
Coverage of non-performing loans to customers	48.1	47.9	0.2
Coverage of bad loans to customers	65.1	63.7	1.4
Cost of customers credit/Customers loans (Provisioning)	0.55	0.31	0.24
Texas Ratio	35.8	51.6	-15.8

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 net profit (loss) for the year and the average between the Group shareholders' equity (including profit and valuation reserves) at end of year and the Group shareholders' equity at the end of the previous year.

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

Return On Tangible Equity (ROTE): ratio between net profit (loss) for the year and the average between the tangible shareholders' equity[5] at the end of the year and that of the end of the previous year.

Gross NPL Ratio: gross weight of non-performing loans calculated, as per EBA guidelines[6], as the ratio between gross non-performing loans to customers and banks[7], net of assets held for sale, and total gross loans to customers and banks, net of assets held for sale.

Rate of change of impaired loans to customers represents the annual growth rate of gross non-performing loans to customers based on the difference between annual stocks.

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

Provisioning: ratio between the cost of customer loans and the sum of loans to customers to the sum of customer loans and the value of securities from disposals/securitisations of NPLs.

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

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

REGULATORY MEASURES			
MONTEPASCHI GROUP			
CAPITAL RATIOS (%)	31 12 2022	31 12 2021	Chg.
Common Equity Tier 1 (CET1) ratio - phase in	16.6	12.5	4.1
Common Equity Tier 1 (CET1) ratio - fully loaded	15.6	11.0	4.6
Total Capital ratio - phase in	20.5	16.1	4.4
Total Capital ratio - fully loaded	19.5	14.6	4.9
FINANCIAL LEVERAGE INDEX (%)	31 12 2022	31 12 2021	Chg.
Leverage ratio - transitional definition	5.8	4.7	1.1
Leverage ratio - fully phased	5.4	4.2	1.2
LIQUIDITY RATIO (%)	31 12 2022	31 12 2021	Chg.
LCR	192.3	172.7	19.6
NSFR	134.1	129.6	4.5
Encumbered asset ratio	31.9	40.7	-8.8
Loan to deposit ratio	93.0	87.9	5.1
Spot counterbalancing capacity (bn of Eur)	25.5	25.4	0.1

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[8] and total risk-weighted assets (RWAs)[9].

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

Leverage ratio: indicator calculated as the ratio between Tier 1[10] 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.

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.

[8] 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.
[9] Risk-weighted assets: the result of the application of certain risk weights to exposures, determined according to supervisory rules.
[10] 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	31 12 2022	31 12 2021	Change	
			Abs.	%
Net interest income	1,538.7	1,221.5	317.2	26.0%
Net fee and commission income	1,364.6	1,484.0	(119.4)	-8.0%
Income from banking activities	**2,903.3**	**2,705.5**	**197.8**	**7.3%**
Dividends, similar income and gains (losses) on investments	85.3	113.4	(28.1)	-24.8%
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	74.2	184.8	(110.6)	-59.8%
Net profit (loss) from hedging	6.2	12.6	(6.4)	-50.8%
Other operating income (expenses)	19.4	(36.5)	55.9	n.m.
Total Revenues	**3,088.5**	**2,979.8**	**108.7**	**3.6%**
Administrative expenses:	(1,920.6)	(1,926.0)	5.4	-0.3%
a) personnel expenses	(1,393.5)	(1,428.0)	34.4	-2.4%
b) other administrative expenses	(527.1)	(498.1)	(29.0)	5.8%
Net value adjustments to property, plant and equipment and intangible assets	(178.6)	(179.9)	1.3	-0.7%
Operating expenses	**(2,099.2)**	**(2,105.9)**	**6.7**	**-0.3%**
Pre-Provision Operating Profit	**989.3**	**873.9**	**115.4**	**13.2%**
Cost of customer credit	**(416.9)**	**(250.0)**	**(166.9)**	**66.8%**
Net impairment (losses)/reversals on securities and loans to banks	**(1.1)**	**5.3**	**(6.4)**	**n.m.**
Net operating income	**571.2**	**629.2**	**(57.9)**	**-9.2%**
Net provisions for risks and charges	2.0	(99.0)	101.0	n.m.
Other gains (losses) on equity investments	3.7	2.2	1.5	68.2%
Restructuring costs / One-off costs	(931.4)	(7.3)	(924.1)	n.m.
Risks and charges associated to the SRF, DGS and similar schemes	(179.7)	(169.3)	(10.4)	6.1%
DTA Fee	(62.9)	(63.2)	0.3	-0.5%
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(31.1)	(43.5)	12.4	-28.5%
Gains (losses) on disposal of investments	0.8	14.4	(13.6)	-94.4%
Profit (Loss) for the period before tax	**(627.4)**	**263.4**	**(890.8)**	**n.m.**
Tax (expense)/recovery on income from continuing operations	425.3	49.5	375.8	n.m.
Profit (Loss) after tax	**(202.1)**	**312.9**	**(515.0)**	**n.m.**
Net profit (loss) for the period including non-controlling interests	**(202.1)**	**312.9**	**(515.0)**	**n.m.**
Net profit (loss) attributable to non-controlling interests	(0.1)	(0.2)	0.1	n.m.
Parent Company's Profit (loss) for the period before PPA	**(202.0)**	**313.1**	**(515.1)**	**n.m.**
PPA (Purchase Price Allocation)	(2.7)	(3.6)	0.9	-25.2%
Parent company's net profit (loss) for the period	**(204.7)**	**309.5**	**(514.2)**	**n.m.**

Quarterly trend in reclassified consolidated income statement								
MONTEPASCHI GROUP	2022				2021			
	4°Q 2022	3°Q 2022	2°Q 2022	1°Q 2022	4°Q 2021	3°Q 2021	2°Q 2021	1°Q 2021
Net interest income	499.0	379.7	336.9	323.1	323.0	313.3	305.6	279.6
Net fee and commission income	309.0	327.5	359.3	368.9	371.2	358.3	382.5	372.0
Income from banking activities	**808.0**	**707.2**	**696.2**	**692.0**	**694.2**	**671.6**	**688.1**	**651.6**
Dividends, similar income and gains (losses) on investments	30.0	30.0	11.1	14.2	37.7	20.3	34.2	21.2
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	0.4	(8.6)	6.9	75.6	(5.9)	14.0	19.7	157.0
Net profit (loss) from hedging	(2.4)	0.8	3.2	4.6	4.9	5.8	0.3	1.6
Other operating income (expenses)	4.1	(3.0)	21.6	(3.2)	(10.7)	(13.4)	(1.8)	(10.7)
Total Revenues	**840.0**	**726.4**	**738.9**	**783.2**	**720.3**	**698.3**	**740.5**	**820.7**
Administrative expenses:	(459.9)	(480.3)	(488.8)	(491.7)	(471.3)	(470.0)	(491.9)	(492.9)
a) personnel expenses	(326.9)	(354.0)	(356.8)	(355.9)	(351.1)	(358.1)	(358.7)	(360.1)
b) other administrative expenses	(132.9)	(126.3)	(132.0)	(135.8)	(120.2)	(111.9)	(133.3)	(132.7)
Net value adjustments to property, plant and equipment and intangible assets	(47.0)	(43.7)	(44.2)	(43.6)	(47.8)	(43.6)	(41.0)	(47.5)
Operating expenses	**(506.9)**	**(523.9)**	**(533.1)**	**(535.3)**	**(519.1)**	**(513.6)**	**(532.9)**	**(540.4)**
Pre-Provision Operating Profit	**333.1**	**202.5**	**205.8**	**247.8**	**201.2**	**184.7**	**207.7**	**280.4**
Cost of customer credit	**(96.9)**	**(95.1)**	**(113.7)**	**(111.3)**	**(222.3)**	**135.1**	**(88.9)**	**(73.9)**
Net impairment (losses)/reversals on securities and loans to banks	**(2.5)**	**(0.3)**	**2.1**	**(0.4)**	**2.4**	**1.2**	**5.4**	**(3.7)**
Net operating income	**233.7**	**107.1**	**94.3**	**136.2**	**(18.7)**	**321.0**	**124.1**	**202.7**
Net provisions for risks and charges	(40.7)	120.7	(49.6)	(28.4)	(32.9)	(23.8)	(50.8)	8.5
Other gains (losses) on equity investments	0.0	2.5	(0.7)	1.9	(0.0)	2.4	2.6	(2.8)
Restructuring costs / One-off costs	(2.9)	(925.4)	(2.9)	(0.2)	0.8	(3.9)	(4.1)	(0.1)
Risks and charges associated to the SRF, DGS and	(7.5)	(83.5)	-	(88.7)	(10.3)	(69.4)	(21.8)	(67.8)
DTA Fee	(15.8)	(15.7)	(15.7)	(15.8)	(15.8)	(15.8)	(15.9)	(15.7)
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(20.3)	-	(10.8)	-	(15.3)	-	(0.4)	(27.8)
Gains (losses) on disposal of investments	-	-	0.9	(0.1)	-	-	(2.6)	17.0
Profit (Loss) for the period before tax	**146.5**	**(794.4)**	**15.5**	**5.0**	**(92.3)**	**210.5**	**31.1**	**114.0**
Tax (expense)/recovery on income from continuing operations	9.8	407.3	2.6	5.5	14.5	(23.7)	52.6	6.1
Profit (Loss) after tax	**156.3**	**(387.1)**	**18.1**	**10.5**	**(77.8)**	**186.8**	**83.7**	**120.1**
Net profit (loss) for the period including non-controlling interests	**156.3**	**(387.1)**	**18.1**	**10.5**	**(77.8)**	**186.8**	**83.7**	**120.1**
Net profit (loss) attributable to non-controlling interests	-	-	(0.1)	-	(0.1)	-	-	(0.1)
Parent Company's Profit (loss) for the period before PPA	**156.3**	**(387.1)**	**18.2**	**10.5**	**(77.7)**	**186.8**	**83.7**	**120.2**
PPA (Purchase Price Allocation)	(0.5)	(0.6)	(0.7)	(0.8)	(0.9)	(0.8)	(0.9)	(0.9)
Parent company's net profit (loss) for the period	**155.8**	**(387.7)**	**17.5**	**9.7**	**(78.6)**	**186.0**	**82.8**	**119.3**

Reclassified Balance Sheet				
Assets	**31 12 2022**	**31 12 2021**	**Chg**	
			abs.	**%**
Cash and cash equivalents	11,980.2	1,741.8	10,238.4	n.m.
Loans to central banks	628.1	20,769.7	(20,141.6)	-97.0%
Loans to banks	2,508.5	3,493.3	(984.8)	-28.2%
Loans to customers	76,265.3	79,380.3	(3,115.0)	-3.9%
Securities assets	18,393.6	22,127.1	(3,733.5)	-16.9%
Derivatives	3,413.6	2,431.6	982.0	40.4%
Equity investments	688.3	1,095.4	(407.1)	-37.2%
Property, plant and equipment/Intangible assets	2,604.0	2,743.5	(139.5)	-5.1%
a) goodwill	*7.9*	*7.9*	-	0.0%
Tax assets	2,216.4	1,774.0	442.4	24.9%
Other assets	1,474.9	2,311.9	(837.0)	-36.2%
Total assets	**120,172.9**	**137,868.6**	**(17,695.7)**	**-12.8%**

Liabilities	**31 12 2022**	**31/12/21**	**Chg**	
			abs.	**%**
Direct funding	81,997.6	90,300.3	(8,302.7)	*-9.2%*
a) Due to customers	73,356.8	79,859.5	(6,502.7)	-8.1%
b) Securities issued	8,640.8	10,440.8	(1,800.0)	*-17.2%*
Due to central banks	19,176.9	29,154.8	(9,977.9)	-34.2%
Due to banks	2,205.9	2,125.1	80.8	3.8%
On-balance-sheet financial liabilities held for trading	2,567.2	3,104.1	(536.9)	-17.3%
Derivatives	1,722.9	2,686.1	(963.2)	*-35.9%*
Provisions for specific use	1,585.7	1,814.0	(228.3)	-12.6%
a) Provision for staff severance indemnities	70.2	159.3	(89.1)	-55.9%
b) Provision related to guarantees and other commitments given	142.5	144.0	(1.5)	-1.0%
c) Pension and other post-retirement benefit obligations	26.6	29.7	(3.1)	-10.4%
d) Other provisions	1,346.4	1,481.0	(134.6)	-9.1%
Tax liabilities	6.6	7.1	(0.5)	-7.0%
Other liabilities	3,111.6	2,503.1	608.5	24.3%
Group net equity	7,797.6	6,172.7	1,624.9	26.3%
a) Valuation reserves	(235.7)	306.8	(542.5)	n.m.
d) Reserves	784.6	(3,638.6)	4,423.2	n.m.
f) Share capital	7,453.4	9,195.0	(1,741.6)	-18.9%
h) Net profit (loss) for the period	(204.7)	309.5	(514.2)	n.m.
Non-controlling interests	0.9	1.3	(0.4)	-30.8%
Total Liabilities and Shareholders' Equity	**120,172.9**	**137,868.6**	**(17,695.7)**	**-12.8%**

Reclassified Balance Sheet - Quarterly Trend

Assets	31/12/22	30/09/22	30/06/22	31 03 2022	31 12 2021	30 09 2021	30 06 2021	31 03 2021
Cash and cash equivalents	11,980.2	16,540.4	1,518.8	1,791.0	1,741.8	2,121.6	1,745.3	1,853.4
Loans to central banks	628.1	4,426.4	17,626.5	15,392.8	20,769.7	20,940.8	25,570.5	26,116.8
Loans to banks	2,508.5	2,715.5	1,432.1	2,424.9	3,493.3	3,344.0	3,133.9	2,975.3
Loans to customers	76,265.3	77,939.1	78,621.7	79,259.7	79,380.3	81,199.8	81,355.8	82,259.0
Securities assets	18,393.6	19,794.3	22,312.7	23,382.2	22,127.1	24,961.0	23,121.9	22,562.0
Derivatives	3,413.6	3,521.3	3,029.2	2,352.6	2,431.6	2,591.8	2,689.5	2,757.5
Equity investments	688.3	692.2	756.5	985.2	1,095.4	1,041.8	1,027.7	1,069.2
Property, plant and equipment/Intangible assets	2,604.0	2,639.5	2,666.1	2,718.5	2,743.5	2,757.9	2,760.0	2,784.5
a) goodwill	*7.9*	*7.9*	*7.9*	*7.9*	*7.9*	*7.9*	*7.9*	*7.9*
Tax assets	2,216.4	2,205.7	1,769.3	1,798.0	1,774.0	1,758.7	1,800.4	1,919.8
Other assets	1,474.9	1,317.1	1,645.0	1,904.2	2,311.9	2,400.5	2,544.7	2,361.3
Total assets	**120,172.9**	**131,791.5**	**131,377.9**	**132,009.1**	**137,868.6**	**143,117.9**	**145,749.7**	**146,658.8**

Liabilities	31/12/22	30/09/22	30/06/22	31 03 2022	31 12 2021	30 09 2021	30 06 2021	31 03 2021
Direct funding	81,997.6	83,805.1	84,305.1	84,428.2	90,300.3	92,901.5	94,036.5	99,053.6
a) Due to customers	*73,356.8*	*75,164.3*	74,940.9	74,992.2	79,859.5	82,389.2	83,315.3	87,124.1
b) Securities issued	8,640.8	8,640.8	9,364.2	9,436.0	10,440.8	10,512.3	10,721.2	11,929.5
Due to central banks	19,176.9	28,931.7	28,947.6	29,081.1	29,154.8	29,230.2	29,305.6	26,373.1
Due to banks	2,205.9	2,589.8	1,694.6	1,763.6	2,125.1	3,019.5	3,854.3	3,816.4
On-balance-sheet financial liabilities held for trading	2,567.2	2,362.2	2,658.7	3,174.4	3,104.1	3,325.0	3,819.3	3,179.5
Derivatives	1,722.9	1,777.2	1,727.5	2,081.9	2,686.1	2,819.1	2,730.1	2,759.0
Provisions for specific use	1,585.7	2,582.4	1,822.2	1,820.6	1,814.0	1,969.0	2,017.1	2,011.3
a) Provision for staff severance indemnities	70.2	136.9	142.5	157.8	159.3	162.2	163.3	164.2
b) Provision related to guarantees and other commitments	142.5	148.5	148.8	147.8	144.0	121.5	144.6	147.1
c) Pension and other post-retirement benefit obligations	26.6	24.2	24.9	29.0	29.7	30.7	31.4	32.3
d) Other provisions	1,346.4	2,272.8	1,506.0	1,486.0	1,481.0	1,654.6	1,677.8	1,667.7
Tax liabilities	*6.6*	6.9	6.0	6.5	7.1	8.0	8.0	8.1
Other liabilities	3,111.6	4,430.8	4,378.1	3,645.4	2,503.1	3,593.5	3,912.1	3,451.0
Group net equity	7,797.6	5,304.1	5,836.7	6,006.1	6,172.7	6,250.7	6,065.3	6,005.4
a) Valuation reserves	(235.7)	(203.3)	(55.3)	131.6	306.8	302.3	324.7	367.6
d) Reserves	784.6	913.8	(3,330.2)	(3,330.2)	(3,638.6)	(3,630.7)	(3,521.0)	(3,415.8)
f) Share capital	7,453.4	4,954.1	9,195.0	9,195.0	9,195.0	9,195.0	9,195.0	9,195.0
g) Treasury shares (-)	-	-	-	-	-	(4.0)	(135.5)	(260.7)
h) Net profit (loss) for the period	(204.7)	(360.5)	27.2	9.7	309.5	388.1	202.1	119.3
Non-controlling interests	0.9	1.3	1.4	1.3	1.3	1.4	1.4	1.4
Total Liabilities and Shareholders' Equity	**120,172.9**	**131,791.5**	**131,377.9**	**132,009.1**	**137,868.6**	**143,117.9**	**145,749.7**	**146,658.8**

The information contained herein provides a summary of the Group's 2022 financial statements and is not complete. Full year financial statements are subject to audit and to approval by the Annual Shareholders' Meeting. 2022 draft Annual Report will be available on the Company's website at www.gruppomps.it.

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