PRESS RELEASE
Q1 2023 RESULTS

Banca Ifis: first quarter net profit, up 31,4% to 45,9 million Euro, confirms strong acceleration in profitability

- **The increase in profitability confirms the strength and validity of the business model even in the current macroeconomic environment.**
- **The favourable revenue performance, up 8% compared to the first quarter of 2022, is driven by the positive correlation of trade receivables to rising interest rates, recoveries in the Npl Segment and the acceleration of business following the digitisation process undertaken by the Bank.**
- **The credit cost, at an all-time low, includes an additional 5 million Euro of prudential provisions on performing exposures in view of the current scenario still characterised by uncertainty.**
- **Customer deposits are stable thanks to the strong retail component of more than 90%.**
- **The CET1 Ratio grows to 15,21%, excluding the profit for the first quarter of 2023, thereby exceeding capital requirements (8,65%).**
- **The Shareholders' Meeting approved the balance of the dividend for FY 2022 in the amount of 0,40 Euro, with ex-dividend date set for 22 May 2023.**

Q1 2023 results

Reclassified data[1] - 1 January 2023/31 March 2023

- **The Group's net profit amounts to 45,9 million Euro, up 31,4%** from 34,9 million Euro in the first quarter of 2022.
- **Net banking income, up 7,7% to 175,8 million Euro** from 163,3 million Euro in the first quarter of 2022, benefits from the positive correlation of Commercial & Corporate Banking Segment to rising interest rates. Revenues in the Npl Segment are broadly stable compared to the first quarter of 2022, highlighting the solidity of out-of-court funding despite rising inflation.
- **Operating costs of 91,1 million Euro** (+3,7% compared to 87,8 million Euro in the first quarter of 2022) increase due to higher personnel expenses (39,7 million Euro compared to 36,6 million Euro in Q1 2022) and higher other administrative expenses (53,8 million Euro compared to 53,6 million Euro in Q1 2022). The moderate growth reflects the offsetting of inflation by careful cost control and continuous efficiency improvements.
- **The credit cost is 10 million Euro** and includes a further 5 million Euro of prudential provisions made on performing exposures to cover potential risks related to the macroeconomic context.
- **Liquidity position, at 31 March 2023, is equal to over 1,4 billion Euro** in reserves and free assets that can be financed by the ECB (LCR above 800%).

Capital requirements[2]

- **CET1 comes to 15,21% (15,01% at 31 December 2022)** and TCR to 18,45% (18,82% at 31 December 2022), calculated excluding the first quarter 2023 profit.

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[1] Reclassifications and aggregations of the consolidated income statement concern the following:
- net impairment losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to “Net interest income”) to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net provisions for risks and charges are excluded from the calculation of "Operating costs";
- the following is included under the single item "Net credit risk losses":
  - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
  - net provisions for risks and charges for credit risk relating to commitments and guarantees granted;
  - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

[2] CET1, Tier 1 and Total Capital at 31 March 2023 do not include the profits generated by the Banking Group in the first three months of 2023.

PRESS RELEASE
Q1 2023 RESULTS

Rome, 11 May 2023 – The Board of Directors of Banca Ifis met today and approved the financial results for the first quarter of 2023.

"The first quarter of 2023 confirmed the further acceleration of Banca Ifis's profitability, driven by favourable revenue and low credit cost trends. The strategy identified in the 2022-2024 Business Plan and focused on enhancing our business model has led us to further strengthen the risk/return ratio also in relation to the current uncertain global macroeconomic context. Our portfolio mainly consists of short-term assets, quality loans, to a large extent secured, and deposits diversified both by maturity and by funding channel: this is why we look positively at the continuation of the current year in which we are resolutely aiming to achieve the profit targets already revised upwards with respect to the targets announced in the Business Plan. We want to position ourselves increasingly as the point of reference for small and medium-sized Italian companies, assisting them through the challenges that the market places before them. All this will further strengthen our already high capacity to remunerate shareholders, which already in 2022 made us the first bank in Italy by dividend-yield" says **Frederik Geertman, CEO of Banca Ifis**.

In the first quarter of 2023, the **Banca Ifis Group net profit amounted to 45,9 million Euro**, up 31,4% from the 34,9 million Euro posted in the same period last year.

The Commercial & Corporate Banking Segment's revenues, up 19,0% compared to the first quarter of 2022, reflect the Bank's positive correlation to rising interest rates (85% of the commercial loan portfolio is at floating rates). Factoring and Leasing volumes, which are closely linked to invoice amounts and the price of the underlying assets, showed a favourable dynamic, directly reflecting the increase in inflation and the new commercial initiatives. The focus on short-term assets allows the Bank to quickly adjust its liquidity profile and commercial strategy: factoring to SMEs, amounting to approximately 2 billion Euro, has an average maturity of 3 months, 70% of receivables due from customers have a maturity of less than 3 years and 90% have a maturity of less than 5 years. Receivables due from customers are almost all secured, thus mitigating the credit risk: factoring has the dual guarantee of the assigned debtor and the assignor, leasing has the guarantee of ownership of the underlying asset, medium-term loans are 80% backed by the state, and receivables from pharmacies usually have the pharmacy itself as collateral. The structured finance portfolio, which represents only 7% of receivables due from customers and is currently all classified as performing, has low leverage (NFP/EBITDA of 2,7x) and prudential provisions against potential macroeconomic risks.

In the Npl Segment, cash recoveries on acquired portfolios amounted to 97,5 million Euro, up 7,0% on the first quarter of 2022. Out-of-court collection activities and new voluntary payment plans, which are being closely monitored by the Bank, do not show any significant impact to date from rising inflation and interest rates. In the period, the Npl portfolio acquired has approximately two-thirds of its value secured by the borrower's labour or other real assets.

The portfolio owned in the Governance & Services and Non-Core Segment benefited from the purchase during the fourth quarter of 2022 of a portfolio of debt securities issued by leading European financial and corporate institutions with a particularly attractive risk-return ratio. Some long-dated government bonds were sold in the first quarter, benefiting from a particularly favourable market momentum.

The prudent credit policy led to a further 5 million Euro increase in the reserves set aside for potential macroeconomic risks. The Gross Npe Ratio and the Net Npe Ratio stand respectively at 6,1% and 4,1%. These figures would come in respectively at 4,5% and 2,5% excluding reclassifications resulting from the application of the New Definition of Default regulations to receivables from the National Health System (NHS), which are characterised by limited credit risk and long payment terms.

Deposits from customers, which are unchanged in the first three months of the year, consist of more than 90% of the retail component and are diversified in terms of maturity and funding and channel. Deposits in the Rendimax account are approximately two-thirds term and 83% guaranteed by the Interbank Fund, being less than 100.000 Euro. The cost of deposits, up from the previous quarter, is nevertheless in line with our forecasts.

The capital ratios of both the Bank and the Group are well above the minimum required levels, with a consolidated CET1 Ratio of 15,21% (15,01% at 31 December 2022) and a consolidated Total Capital Ratio of 18,45% (18,82% at 31 December 2022).

PRESS RELEASE
Q1 2023 RESULTS

On 20 April 2023, **the Shareholders' Meeting approved the distribution of a balance on the dividend for FY 2022 of 0,40 Euro** (gross of withholding taxes) for each of the Banca Ifis shares issued and outstanding (and therefore excluding treasury shares held by the Bank). **The total 2022 dividend (interim payment and balance) thus amounts to 1,40 Euro per share.** The balance on the 2022 dividend will be paid with ex-dividend date 22 May 2023, record date of 23 May 2023 and payment date of 24 May 2023.

Highlights

RECLASSIFIED DATA[3]

The Banca Ifis Group's **consolidated income statement** at 31 March 2023 closes with a profit attributable to the Parent company of 45,9 million Euro.

Highlights from the Banca Ifis Group's income statements for the first three months of 2023 are set out below.

Net banking income

Net banking income totals 175,8 million Euro, up 7,7% from 163,3 million Euro at 31 March 2022. Contributing to this result is the growth of the **Factoring Area**, with 42,8 million Euro and an increase of 7,3%, thanks to the increase in net interest income and net commissions, the good performance of the **Leasing Area** (15,3 million Euro, a figure essentially stable compared to 31 March 2022) and the better performance of the **Corporate Banking & Lending Area** (29,8 million Euro, +58,7% compared to the figure of 31 March 2022).

The **Npl Segment**'s net banking income amounts to 69,5 million Euro and remains stable compared to the same period last year, mainly due to higher interest income (related to the increase in the average value of the underlying loans) and the good performance of legal collection mainly attributable to the higher number of foreclosures and repossessions produced. These changes were offset by lower out-of-court collections and lower gains on disposals.

The **Governance & Services and Non-Core Segment**'s net banking income amounts to 18,5 million Euro, down 1,2 million Euro compared to the first quarter of 2022, and is driven by an increase in the **Non-Core Area** of 1,4 million Euro, mainly due to the collection of late payment interest on an impaired position, offset by the lower contribution of the **Governance & Services Area** of 2,6 million Euro.

Net credit risk losses

Net credit risk losses of 10,0 million Euro are down 7,0 million Euro compared to Q1 2022. In the first quarter of 2022 this item included prudential adjustments on commercial positions with higher vintage, mainly related to positions with the NHS.

Operating costs

Operating costs total 91,1 million Euro, showing an increase on 31 March 2022 (+3,7%).
The reclassified cost/income ratio totals 51,8%, compared to 53,8% in March 2022.
Below are details of the item's main components:

- Personnel expenses, amounting to 39,7 million Euro, are up by 8,6%, a figure attributable both to an increase in the number of employees at the reporting date and to higher variable remuneration;
- Other administrative expenses at 31 March 2023 are 53,8 million Euro, essentially stable on 31 March 2022;
- Other net operating income, amounting to 6,6 million Euro at 31 March 2023, records an increase of 3,9% on the figure for the equivalent period last year.

[3] Reclassifications and aggregations of the consolidated income statement concern the following:
- net impairment losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net interest income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net provisions for risks and charges are excluded from the calculation of "Operating costs";
- the following is included under the single item "Net credit risk losses/reversals":
  - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
  - net provisions for risks and charges for credit risk relating to commitments and guarantees granted;
  - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

Net allocations to provisions for risks and charges

At 31 March 2023, **net allocations to provisions for risks and charges** amount to 6,4 million Euro, substantially unchanged from 31 March 2022, and are almost entirely represented by the provision for the Single Resolution Fund.

Net profit attributable to the Parent company

The net profit attributable to the Parent company amounts to 45,9 million Euro, up 31,4% on the same period of 2022.

Focus on individual Segments

Below are the main dynamics recorded in the individual Segments that go towards forming the financial results at 31 March 2023.

Net profit of the **Commercial & Corporate Banking Segment** comes to 23,7 million Euro, 9,5 million Euro higher (+66,7%) than at 31 March 2022. This result is driven by the growth in net interest income of 5,0 million Euro (+9,5%), net commissions (+3,1 million Euro, or +15,3%) and other components of net banking income of 5,9 million Euro, as well as by net adjustments of 2,4 million Euro (-16,4%).

Net banking income derives from the combined effect of the various Areas of the Segment, as described below:

- the contribution of the **Factoring Area** amounts to 42,8 million Euro, an increase of 7,3% compared to the same period of last year. This result is due to the greater contribution both of net interest income (up by 1,2 million Euro) and net commission income (up by 2,3 million Euro), as a consequence of the increase in the returns on the receivables under management;
- net banking income from the **Leasing Area** amounts to 15,3 million Euro, essentially in line with the same figure at 31 March 2022;
- net banking income of the **Corporate Banking & Lending Area** comes to 29,8 million Euro at 31 March 2023, up 11,0 million Euro on 31 March 2022 (+58,7%). The positive change is due to the combined effect of the 3,6 million Euro increase in net interest income (+24,8%), due in particular to the positive contribution of the Lending to SMEs segment, which grew by 2,9 million Euro, a 1,0 million Euro increase in net commissions (+34,0%), mainly stemming from the Corporate Banking unit, and from the 6,5 million Euro increase in other net banking income components attributable to the Corporate Banking unit due to the higher contribution generated by the items measured at fair value, including UCITS funds and minority investments.

Net credit risk losses on receivables amount to 12,1 million Euro, an improvement of 2,4 million Euro compared to 31 March 2022, despite including 5 million Euro in prudent adjustments on the performing portfolio. During the first quarter of 2022, prudential provisions had been made on commercial positions with higher vintage, mainly related to positions with the NHS.

The increase in operating costs of 2,3 million Euro compared to 31 March 2022 is essentially due to the rise in personnel expenses due to both the increase in headcount and higher variable remuneration.

Period profit of the **Npl Segment** is 19,1 million Euro, essentially in line with the figure at 31 March 2022. The Segment's net banking income amounts to 69,5 million Euro, also in line with the figure for the same period of the previous year, as the growth in interest income linked to the increase in average loans and the better performance of legal inflows were substantially offset by the lower contribution of out-of-court management and lower profits from the sale of Npl portfolios.
Operating costs of 41,2 million Euro at 31 March 2023 are in line with the first quarter of 2022.
Collections of the Npl Segment in the first quarter of 2023 come to 97,5 million Euro, including the instalments collected during the period from realignment plans, from garnishment orders and transactions carried out and rise by 7,0% on the collections of 91,1 million Euro made in the first quarter of 2022.
The profit of the **Governance & Services and Non-Core Segment** at 31 March 2023 amounts to 3,6 million Euro, a significant increase from the 31 March 2022 figure of 1,7 million Euro (+103,8%). The Segment's net banking income amounts to 18,5 million Euro, down 1,2 million Euro compared to the first quarter of 2022, and is driven by an increase in the **Non-Core Area** of 1,4 million Euro, mainly due to the collection of late payment interest on an impaired position, offset by the lower contribution of the **Governance & Services Area** of 2,6 million Euro.
The credit cost improves by 4,7 million Euro. The figure at 31 March 2023 stands at net reversals of 2,1 million Euro, benefiting from recoveries on positions that had previously been fully written down, and is in contrast to net adjustments of 2,5 million Euro in March 2022, which were affected by provisions on a singularly significant position.

Operating costs come to 9,3 million Euro, up 0,8 million Euro on 31 March 2022. This change is linked to the increased activities in the area of Communication, Marketing, Public Affairs & Sustainability during the first quarter of 2023, the year of Banca Ifis' 40th anniversary.

The breakdown of the main statement of financial position items of the Banca Ifis Group at 31 March 2023 is shown below.

Receivables due from customers measured at amortised cost

Total receivables due from customers measured at amortised cost amount to 9.833,7 million Euro, a reduction on 31 December 2022 (10.186,9 million Euro). The item includes debt securities in the amount of 1,9 billion Euro (broadly in line with the figure for year-end 2022), of which 1,5 billion Euro related to government bonds. The Commercial & Corporate Banking Segment records a slowdown (-4,3%) concentrated in the Factoring Area (-10,5%), against the substantial stability of the Leasing Area and Corporate Banking & Lending Area. The Governance & Services and Non-Core Segment decreases by 51,2 million Euro, while the Npl Segment's receivables are substantially stable compared to 31 December 2022.

Funding

During the first quarter of 2023, **the Group continued its strategy of differentiating between distribution channels**, in order to ensure a better balance with respect to retail funding. The Group has liquidity of more than 1,4 billion Euro at 31 March 2023 (in reserves and free assets that can be financed in the ECB), thereby enabling it to easily respect the LCR and NSFR limits (with indexes more than of 800% and 100%, respectively).
Total funding amounts to 11.111,9 million Euro at 31 March 2023 and is in line with the figure at 31 December 2022; it is represented for 45,8% by payables due to customers (in line with respect to 31 December 2022), for 27,9% by payables due to banks (30,7% at 31 December 2022), and for 26,3% by debt securities issued (23,4% at 31 December 2022).
The Group's funding structure is as follows:

- 45,8% customers;
- 18,3% TLTROs;
- 13,3% Asset Backed Securities (ABS);
- 13,0% debt securities;
- 9,6% other.

Amounts due to banks come to 3.095,0 million Euro, down 9,6% compared to the figure for end December 2022 due to the onset maturity of short-term payables due to central banks (LTRO) equal to 400,5 million Euro by end 2022.

Payables due to customers at 31 March 2023 total 5.091,0 million Euro, essentially stable compared with 31 December 2022 where, in respect of a substantial stability of retail funding, which comes to 4.253,7 million Euro at end March 2023 (+2,3%), a reduction is recorded following repurchase agreements in place at 31 December 2022.

Securities issued amount to 2.925,9 million Euro at 31 March 2023, up 12,3% from 31 December 2022, mainly due to the issue by Banca Ifis of a 300 million Euro bond with a 4-year maturity, as better described in the "Significant events during the period" section below.

Equity and ratios[4]

At 31 March 2023, the Group's **Consolidated equity** totals 1.650,4 million Euro, up 3,3% on the 1.597,8 million Euro booked at end 2022. The main changes can be traced back to:

- the positive change relative to the period result attributable to the Parent company of 45,9 million Euro;
- the positive change of 5,6 million Euro in the valuation reserve, net of realisations, due to changes in the fair value of financial instruments with an impact on comprehensive income;
- the increase of 0,4 million Euro in Equity attributable to non-controlling interests.

[4] CET1, Tier 1 and Total Capital at 31 March 2023 do not include the profits generated by the Banking Group in the first three months of 2023.

At 31 March 2023, the **equity ratios for the Banca Ifis Group** amount to a CET1 Ratio of 15,21% (15,01% at 31 December 2022), a Tier 1 Ratio of 15,22% (15,02% at 31 December 2022) and a Total Capital Ratio of 18,45% (18,82% at 31 December 2022).
Please note that the Bank of Italy, following the Supervisory Review and Evaluation Process (SREP) to review the capitalisation targets of the system's largest intermediaries, adopted the following capital requirements for the Banca Ifis Group, including a 2,5% capital conservation buffer:

- CET1 Ratio of 7,90%, with a required minimum of 5,40%;
- Tier 1 Ratio of 9,75%, with a required minimum of 7,25%;
- Total Capital Ratio of 12,15%, with a required minimum of 9,65%.

In order to ensure a level of capital that can absorb any losses arising from stress scenarios, as referred to in Article 104 ter of EU Directive 36/2013, the Bank of Italy has set the following capital levels for the Banca Ifis Group, to which the specific countercyclical coefficient is added:

- CET1 Ratio of 8,65%, consisting of an OCR CET1 Ratio of 7,90% and a target component (Pillar 2 Guidance) of 0,75%;
- Tier 1 Ratio of 10,50%, consisting of an OCR Tier 1 Ratio of 9,75% and a target component of 0,75%;
- Total Capital Ratio of 12,90%, consisting of an OCR Total Capital Ratio of 12,15% and a target component of 0,75%.

At 31 March 2023, the Banca Ifis Group easily meets the above prudential requirements.

Significant events during the period

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

Here below is a summary of the most significant events in the first quarter of 2023.

Issue of the 300 million Euro bond maturing in 4 years

On 12 January 2023, Banca Ifis successfully completed the placement of a Senior Preferred bond issue under its EMTN programme amounting to 300 million Euro. The transaction was intended for institutional investors. Specifically, the issue has a maturity of four years, with a settlement date scheduled for 19 January 2023. The reoffer price is 99,569, for a return at maturity of 6,25% and a coupon that is payable annually in the amount of 6,125%. The bond will be listed on Euronext Dublin and has an expected rating of BB+ by Fitch and Baa3 by Moody's. The placement of this bond is part of the EMTN funding programme envisaged in the Group's 2022-2024 Business Plan, which estimates 2,5 billion Euro of new placements.

Significant subsequent events

The Shareholders' Meeting approved the Annual Report 2022, the distribution of a dividend of 0,40 Euro per share as balance for the financial year and the appointment of Sebastien Egon Fürstenberg as Honorary Chairman

The Shareholders' Meeting of Banca Ifis, which met on 20 April 2023 in single call, chaired by Ernesto Fürstenberg Fassio in accordance with the applicable provisions, and hence in the manner set out in Art. 106 of Decree-Law no. 18 of 17 March 2020, approved:

- in the ordinary session:
  - the 2022 Annual Financial Statements;

- the distribution to shareholders of a dividend of 0,40 Euro, as balance for FY 2022, gross of any withholding taxes, per share, with ex-dividend date (coupon no. 27) on 22 May 2023, record date on 23 May 2023 and payment on 24 May 2023;
- Section I of the document "Report on Remuneration Policy and Remuneration Paid" prepared in accordance with Art. 123-ter of Legislative Decree no. 58/1998. The Shareholders' Meeting also resolved in favour of Section II of the aforementioned document relating to the implementation of remuneration policies during FY 2022;
- the amendment to certain provisions of the "2021-2023 LTI Plan";
- the appointment of Founder Sebastien Egon Fürstenberg as Honorary Chairman of Banca Ifis for an indefinite term;

• in an extraordinary session, amendments to Articles 2, 4, 6, 8, 12, 14 and 20 of the Banca Ifis Articles of Association.

Declaration of the Manager Charged with preparing the Company's financial reports

Pursuant to article 154 bis, paragraph 2 of the Consolidated Law on Finance, the designated Manager Charged with preparing the Company's financial reports, Massimo Luigi Zanaboni, declares that the financial information contained in this press release corresponds to the related books and accounting records.

Reclassified Financial Statements and key balance sheet data

Reclassifications and aggregations of the consolidated income statement concern the following:

- net impairment losses/reversals of the Npl Segment are reclassified to interest receivable and similar income (and therefore to "Net interest income") to the extent to which they represent the operations of this business and are an integral part of the return on the investment;
- net provisions for risks and charges are excluded from the calculation of "Operating costs";
- the following is included under the single item "Net credit risk losses":
  - net credit risk losses/reversals relating to financial assets measured at amortised cost (with the exception of those relating to the Npl Segment mentioned above) and to financial assets measured at fair value through other comprehensive income;
  - net provisions for risks and charges for credit risk relating to commitments and guarantees granted;
  - profits (losses) from the sale/repurchase of loans at amortised cost other than those of the Npl Segment.

Reclassified Consolidated Statement of Financial Position

ASSETS (in thousands of Euro)	31.03.2023	31.12.2022
Cash and cash equivalents	907.340	603.134
Financial assets held for trading through profit or loss	25.223	26.868
Financial assets mandatorily measured at fair value through profit or loss	179.462	195.220
Financial assets measured at fair value through other comprehensive income	757.833	697.611
Receivables due from banks measured at amortised cost	619.127	565.762
Receivables due from customers measured at amortised cost	9.833.722	10.186.932
Property, plant and equipment	128.399	126.341
Intangible assets	67.054	64.264
of which:		
- goodwill	*38.020*	*38.020*
Tax assets:	320.158	325.181
a) current	60.829	60.924
b) prepaid	259.329	264.257
Other assets	461.372	471.064
Total assets	**13.299.690**	**13.262.377**

LIABILITIES AND EQUITY (in thousands of Euro)	31.03.2023	31.12.2022
Payables due to banks	3.095.014	3.422.160
Payables due to customers	5.090.965	5.103.343
Debt securities issued	2.925.872	2.605.195
Financial liabilities held for trading	23.844	25.982
Tax liabilities:	59.149	52.298
a) current	28.839	21.961
b) deferred	30.310	30.337
Other liabilities	385.698	391.697
Post-employment benefits	7.879	7.696
Provisions for risks and charges	60.915	56.225
Valuation reserves	(53.504)	(59.722)
Reserves	1.582.068	1.440.944
Interim dividends (-)	(52.433)	(52.433)
Share premiums	83.767	83.767
Share capital	53.811	53.811
Treasury shares (-)	(22.104)	(22.104)
Equity attributable to non-controlling interests (+/-)	12.835	12.432
Profit for the period	45.914	141.086
Total liabilities and equity	**13.299.690**	**13.262.377**

Reclassified Consolidated Income Statement

ITEMS (in thousands of Euro)	31.03.2023	31.03.2022
Net interest income	**139.439**	**131.069**
Net commission income	**23.327**	**20.725**
Other components of net banking income	13.059	11.530
Net banking income	**175.825**	**163.324**
Net credit risk losses/reversals	(9.971)	(17.008)
Net profit (loss) from financial activities	**165.854**	**146.316**
Administrative expenses:	(93.530)	(90.133)
a) personnel expenses	(39.708)	(36.565)
b) other administrative expenses	(53.822)	(53.568)
Net impairment losses/reversals on property, plant and equipment and intangible assets	(4.202)	(4.080)
Other operating income/expenses	6.642	6.390
Operating costs	**(91.090)**	**(87.823)**
Net allocations to provisions for risks and charges	(6.368)	(6.422)
Pre-tax profit (loss) for the period from continuing operations	**68.396**	**52.071**
Income taxes for the period relating to continuing operations	(22.078)	(16.720)
Profit (loss) for the period	**46.318**	**35.351**
(Profit) loss for the period attributable to non-controlling interests	(404)	(403)
Profit (loss) for the period attributable to the Parent company	**45.914**	**34.948**

Consolidated own funds and capital adequacy ratios

OWN FUNDS AND CAPITAL ADEQUACY RATIOS (in thousands of Euro)	AMOUNTS	
	31.03.2023[(1)]	31.12.2022
Common Equity Tier 1 (CET1) capital	1.507.178	1.520.570
Tier 1 capital	1.508.148	1.521.490
Total Own Funds	**1.827.815**	**1.906.288**
Total RWAs	**9.906.278**	**10.128.064**
CET1 Ratio	15,21%	15,01%
Tier 1 Ratio	15,22%	15,02%
Total Capital Ratio	**18,45%**	**18,82%**

(1) CET1, Tier 1 and Total Capital at 31 March 2023 do not include the profits generated by the Banking Group in the first three months of 2023.

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