Price-sensitive press release Bolzano, 09 February 2024

Volksbank: €100 million profit in 2023. At the forthcoming Shareholders' Meeting, the Board of Directors will propose that €50 million is distributed to shareholders

The Board of Directors endorsed Volksbank's 2023 results today, which showed a net profit of over €100 million. The value of tangible common equity has continued to rise, reaching €910 million, equivalent to €18.9 per share. As Chairman Lukas Ladurner remarked: "Volksbank is stable, efficient and growing, and so justifies the high dividend payments of about €1 per share for last year, equivalent to a 12% return".

Volksbank's 2023 results confirm the trend over recent years and mark an excellent start for the "I-mpact 2026" Industrial Plan, developed during last year and approved in November 2023. The main results include the following:

- a **positive growth in all segments of our customer base**, resulting in an increase in market share, with volumes reaching €21.8 billion. In particular, liquidity held by households and businesses grew by about €175 million, loans to customers by about €40 million, and indirect funding (mutual funds, bonds, shares, life insurance, etc.) by over €565 million;

- a **21% growth in the Bank's typical revenue, amounting to about €376 million**, due to an increase in the interest margin with restrictions to the commission margin;

- a **further reduction in credit risk,** which was effectively annulled during the year, thanks to fewer new provisions and to some significant recoveries on previously classified positions. The net component of the non-performing loans portfolio within the overall portfolio (NPL Net Ratio) now accounts for 1.9%, down from 2.3% in 2022. Coverage for the impaired loan portfolio rose by almost 3% to 59%, well above the average for the System;

- an **increase in routine administrative costs**, which were lower than the growth in revenues despite the effects of inflation, enabling a further reduction in the Bank's **Cost Income Ratio** (CIR) to 49.3%: a level regarded as highly efficient within the scenario of Italian and European commercial banks;

- **excellent net profits**, with a return on tangible equity (RoTE) of 11.9%, which is well above the Italian and European average. The profits of €100 million have already been reduced by €13 million in stranded costs and €50 million in taxes.

Volksbank's tangible equity is therefore seeing further growth, having exceeded €900 million for the first time and now standing at €910 million, equal to €18.9 per share. Overall equity amounts to €19.2 per share, equivalent to the issue price of the latest increase in capital raised by the Bank.

Capital ratios, already net of predicted distributions, are stable and growing, with the Total Capital Ratio (TCR *fully-phased*) rising from 16.2% to 16.6% and the Common Equity Tier 1 Ratio (CET1 *fully-phased*) rising from 14.4% to 15.3%.

Chairman Lukas Ladurner stated: *"2023 was a strong year for Volksbank, with the Bank's employees expertly managing the scenario of rising interest rates and increasing the Bank's turnover and market shares. They deserve my personal thanks, and the gratitude of all members of the Board of Directors. The Bank's strength has grown further, to reach a net worth of €19.2 per share, which was the issue price at the last increase in capital. The good results in terms of revenue allow us to continue supporting stakeholders, customers, communities, the local area, associations, suppliers and employees. Shareholders also benefit from the new-found stock liquidity and will receive an excellent return, with the Board proposing a distribution package of €50 million at the Shareholders' Meeting (in line with 2023). This comes with a dividend of €0.67 per share (up from €0.62 last year), the free allocation of 1 share for every 30 held, and the continued support for share liquidity of €3.5 million."*

General Manager Alberto Naef also added: *"2023 saw a smooth transition from the Sustainable Business Plan 2023 and the new I-mpact Plan 2026. We've completed our plans for updating our product range, restructuring the Bank's credit portfolio, and revising our practices of internal governance (at the centre of the recent Plan), and we've made a profitable start to a growth in turnover, with social support for local areas and experiments in artificial intelligence. The increase in the number of customers, turnover, and market share; the opening of branches in Arzignano, Caorle, Padova Facciolati and the Padova Net Centre; the support for families and businesses in Triveneto, with about €2 billion in newly approved loans: all these aspects – together with the motivation and skills of our workforce – encourage us along our chosen pathway. We've had brilliant results over the last three years, which have strengthened the Bank, and we're confident that our performance in 2024 will match the one for the 2021-2023 period."*

Deputy General Manager Georg Mair am Tinkhof concluded: *"The final figures for 2023 further underline Volksbank's growing strength, which was also endorsed by two international rating agencies, S&P Global Ratings and Morningstar DBRS, which both put Volksbank in the 'Investment Grade' class. Volksbank's structural liquidity profile has also been further supported. In September 2023, we successfully issued a Green Covered Bond on the capital market, which received a strong response, including at international level. During 2024, we'll also be looking at macroeconomic developments, which we're monitoring very closely in terms of both risk and opportunities, especially with regard to interest rate exposure."*

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This price-sensitive press release, drafted in line with Art. 109 of the Issuers' Regulation (CONSOB resolution no. 11971/1999) and Art. 114 of the Consolidated Finance Act (Legislative Decree no. 58/1998), is published on the authorised "e-market SDIR" platform of the Regulated Information storage and disclosure system at www.emarketstorage.com, as well as on the company website at www.volksbank.it.

Summary data

Main items in the profit and loss account	**31.12.2023**	**31.12.2022**	**Abs. var.**	**Var. %**
(figures in €/000)				
Interest margin	275,515	210,022	65,493	31.2%
Net commission	100,404	100,613	(209)	-0.2%
First margin	**375,919**	**310,635**	**65,284**	**21.0%**
Net result of the financial portfolio	(7,577)	6,763	(14,340)	-212.0%
Financial margin	**368,342**	**317,398**	**50,944**	**16.1%**
Cost of risk	6,782	(20,722)	27,504	132.7%
Operating result	**375,125**	**296,676**	**78,448**	**26.4%**
Operating costs and other net operating income (expenses)	(181,669)	(167,390)	(14,279)	-8.5%
Other Components	(42,817)	(15,700)	(27,117)	-172.7%
Profit (Loss) before tax	**150,638**	**113,586**	**37,052**	**32.6%**
Income tax	(49,509)	(38,058)	(11,451)	-30.1%
Profit (Loss) for the year	**101,129**	**75,527**	**25,601**	**33.9%**

Soundness indicators	**31.12.2023**	**31.12.2022**
CET 1 ratio (Fully loaded)	15.3%	14.4%
CET1 (phased-in)	15.4%	14.9%
Total Capital Ratio (fully loaded)	16.6%	16.2%
Total Capital Ratio (phased-in)	16.8%	16.7%
Tangible shareholders' equity *(in mln €)*	910	846
Net NPL Ratio	1.9%	2.3%
Gross NPL Ratio	4.4%	5.0%
Texas ratio	30.2%	36.2%
% coverage of bad debts	74.4%	70.7%
% coverage of unlikely to pay (UTPs)	44.1%	44.8%
% coverage of performing loans	1.13%	1.14%
Cost/income ratio	49.3%	52.1%

HIGHLIGHTS ([1])

Net profit:

- profit in the 2nd half-year at +47.6 million, compared to +53.5 million in the 1st half-year;
- profit for the year at +101.1 million, compared to +75.5 million in 2022;

Current pre-tax profit:

- up to 150.6 million, compared to 113.6 million in 2022;

Operating costs:

- total costs increased by +9.2% to 179.9 million from 164.8 million in 2022;
- personnel expenses at 112.2 million, up +6.5% from 105.4 million in 2022;
- other administrative expenses, without taking into account grants and charges relating to the banking system, at 52.8 million, up +13.7% from 46.5 million in 2022;

High efficiency:

- cost/income ratio at 49.3% compared to 52.1% in 2022;

Cost of risk:

- essentially neutral in the 12 months;

Improving credit quality:

- proactive credit management, with adjustments on impaired loans amounting to 197.4 million, compared to 216.5 million in 2022;
- stock of gross impaired loans fell to 335 million, down from 384 million at the end of 2022. The gross NPL ratio decreased to 4.4%, down from 5.0% at the end of 2022. The net NPL ratio decreased to 1.9 per cent, down from 2.3 per cent at the end of 2022;

High coverage levels of non-performing loans:

- coverage level of non-performing loans at 59.0%, compared to 56.3% at the end of 2022. Coverage of non-performing loans at 74.4% (it was 70.7% at the end of 2022)

([1]) The data in this section refer to the reclassified Profit and Loss Account and Balance Sheet at the end of this document.

and of probable defaults at 44.1% (it was 44.8% at the end of 2022) and 27.6% on past due loans (it was 29.9% at the end of 2022);

- robust reserve buffer on *performing* loans, with a coverage of 1.13%, essentially unchanged from 2022;

Strong financial position: capital ratios significantly increased and well above the required minimums:

- Core Tier 1 ratio *phased-in* at 15.4%, compared to 14.9% in 2022;
- Core Tier 1 ratio *fully loaded* at 15.3%, compared to 14.4% in 2022;
- Total Capital Ratio *phased-in* at 16.8%, compared to 16.7% in 2022;
- Total Capital Ratio *fully loaded* at 16.6%, up from 16.2% in 2022;

High liquidity and funding:

- to December 2023, liquid assets of approximately 45 million and readily available liquidity of 3,163 million;
- liquidity requirements were amply met: Liquidity Coverage Ratio at 215% and Net Stable Funding Ratio above 130%;
- financing operations with the ECB to optimise the cost of funding and support the investments of corporate customers amounted to 750 million at the end of 2023, entirely consisting of TLTRO III.

Support for the economy and active presence in support of local communities:

- almost 2 billion in new loans to households and SMEs;

SUMMARY OF RESULTS

Bolzano, 9 February 2024. The Board of Directors at Volksbank today approved the financial statements of 31 December 2023.

The 2023 results confirm Volksbank's ability to manage the complexity of the current situation in an effective way, and to create consistent value for all its stakeholders, with a net profit of more than €100 million. The strategic choices made by Volksbank have confirmed it as one of the most stable banks at national level, whose strengths lie in the amount of credit and support it has provided for the real economy, supplying almost €2 billion of credit for families and businesses in the country, as well as its high level of capital ratios, robust liquidity and low leverage.

The Bank's low risk profile has also been supported by its well-founded and resilient business model, with increasing diversification of its income sources and increasing flexibility in its management of operating costs, as well as its constant efforts to reduce the number of non-performing loans taken out over the last three years.

The current very different context finds Volksbank well prepared, thanks to its consolidated approach over the last three years, with the conclusion of its three-year Sustainable Business Plan and the start of its new, three-year *I-mpact* Business Plan. Volksbank's status as a dependable and resilient Bank has also enabled it to consolidate its range of products, from managed savings to insurance products and banking services. It also offers an effective and proactive management of credit risk, both by continuously but carefully raising its levels of coverage, and by taking specific action to tighten up its processes of credit provision and ways of monitoring risk, thus strengthening its role as a point of reference in terms of sustainability, and social and cultural responsibility within Italy.

THE ECONOMIC ASPECTS OF MANAGEMENT

The profit and loss account shows net interest of €275.5 million, an increase of +31.2% on the €210.0 million for 2022.

The brokerage fees made from transactions with customers amounted to €202.4 million (€138.9 million in 2022). The interest on financial assets came to €114.7 million (€52.3 million in 2022). The net interest on interbank loans amounted to -€47.9 million (+€17.8 million in 2022). The net interest on institutional funding came to -€2.9 million, while other net interest amounting to €9.3 million.

Net commissions amounted to €100.4 million, compared to €100.6 million in 2022. In more detail, commissions from commercial banking activities fell by 3.8% to €65.5 million (they were €68.1 million in 2022), and commissions from brokerage and consultancy services (for insurance products, placement of securities) rose by +3.9% to €35.5 million.

The net financial result, which includes the overall performance of the property portfolio, was €7.6 million, compared to +€6.8 million in 2022. Dividends came to +€3.2 million, compared to +€3.6 million in 2022. Net trading income amounted to €+3.4 million, compared to €+2.7 million in 2022. The financial assets valued at amortised cost amounted to -€4.9 million, compared to +€2.3 million in 2022. The contribution of financial assets measured at fair value with an impact on comprehensive income was +8.2 million, compared to +2.6 million in 2022. The component relating to the net result of other assets and liabilities at fair value with an impact on the revenue statement came to -€1.1 million, remaining unchanged since 2022.

Net operating income was +365.0 million (+15.4%), compared to+316.2 million in 2022.

Operating costs, including staffing costs, other administrative expenses, and the depreciation of tangible and intangible assets, accounted for a total of -€179.9 million, an increase of +€9.2% on the -€164.8 million spent in 2022. The total is made up of staffing costs (-€112.2 million, up by +6.5% on the -€105.4 million for 2022); administrative expenses, which amounted to -€52.8 million (up by +13.7% on the -€46.5 million for 2022), and adjustments to tangible and intangible assets, which produced a net result of -€14.9 million, up by +15.0% on the -€12.9 million for 2022.

The operating margin came to +€185.1 million, compared to +€151.4 million in 2022.

Net impairment losses on loans were positive thanks to the effective workout, which contributed to significant writebacks, and amounted to +€6.8m, compared to -€20.7m in 2022.

The net result from the sale of shareholdings and investments was €+0.9 million, compared to -€0.1 million in 2022.

Levies and charges relating to the banking system net of taxes amounted to -€8.9 million (-€13.3 million before tax), a decrease of -€7.5% on the -€9.7 million for 2022 (-€14.2 million before tax).

In particular, these relate to charges of -€3.4 million (-€5.1 million before tax) associated with contributions to the resolution fund, while -€5.5 million (-€8.1 million before tax) relates to contributions to the deposit guarantee fund.

Net provisions for liabilities and charges amounted to -€28.5 million, as against-€2.6 million in 2022.

The net result for the year amounted to €101.1 million, up by 33.9% on the €75.5 million for 2022.

THE EVOLUTION OF THE FINANCIAL POSITION HIGHLIGHTS

As of 31 December 2023, net loans to customers amounted to €7,498 million, up +0.6% on the €7,457 million recorded at the end of 2022.

Our customers' financial assets amounted to €21,832 million, up by +4.7% on the €20,854 million recorded at the end of 2022. In the context of these operations, direct bank deposits by customers amounted to €9,371 million, up by +4.1% on the €9,000 million recorded at the end of 2022. Indirect funding amounted to €4,979 million, an increase of +12.8% on the €4,412 million recorded at the end of 2022. Indirect funding net of Volksbank's share portfolio increased by +13.8% to €4,620 million, as against €4,059 million at the end of 2022.

More particularly, the amount of indirect funding relative to third-party asset management products amounted to €3,228 million, an increase of +7.4% on the €3,005 million recorded at the end of 2022. Assets under custody in relation to third-party securities (excluding Volksbank shares) amounted to €1,392 million, an increase of +32.0% on the €1,055 million recorded on 31 December 2022.

The total for non-performing loans, net of value adjustments, came to €137.5 million, down by -18.1% on the €167.9 million recorded at the end of 2022. In this context, the total for net non-performing loans came to €43.5 million, down by -15.4% on the €51.4 million recorded on 31 December 2022, accounting for 0.6% of total net loans (as against 0.7% at 31 December 2022), and with a coverage ratio of 74.4% (70.7% at the end of 2022). Probable net defaults amounted to €85.9 million, compared to €110.3 million in December 2022, and net overdue/outstanding loans totalled €8.1 million, compared to €6.2 million at the end of 2022.

The total for gross non-performing loans came to €334.9 million, down by -12.9% from the start of the year, with a component of gross doubtful loans equivalent to €170.1 million (down by -3.2%). These account in turn for 4.4% (as against 5.0% at the end of 2022), and 1.8% (as against 2.3% at the end of 2022), of the total gross loans to customers.

Coverage ratios were improved for all the main components. As previously mentioned, the coverage ratio for non-performing loans now stands at 74.4% (it was 70.7% at the end of 2022), the coverage ratio for probable defaults has fallen to 44.1% (it was 44.8% at the end of 2022), and the coverage ratio for non-performing loans is now 59.0% (it was 56.3% at the end of 2022).

Apart from loans, financial assets at amortised cost totalled €2,789.6 million, down -6.5% on the €2,985.1 million recorded at the end of 2022. Financial assets at fair value through profit or loss amounted to €58.7 million, down from the €103.9 million recorded at the end of 2022.

Financial assets at fair value with an impact on comprehensive income amounted to €717.6 million, down -1.6% on the €729.5 million recorded at the end of 2022.

Tangible and intangible assets amounted to €161.5 million, substantially unchanged on the €160.8 million figure for year-end 2022. Tax assets amounted to €126.3 million, down by -8.6% on the €138.2 million recorded at the end of 2022, while groups of assets under disposal (in the form of real estate) were equivalent to €3.2 million.

The Bank's own funds and capital requirements

The capital requirements and guidance that had to be met on 31 December 2023, in terms of the Common Equity Tier 1 Ratio, the Tier 1 Capital Ratio and Total Capital Ratio, came to 8.8%, 10.6% and 13.00% respectively, in line with the criteria in force for 2023. The aggregated capital for regulatory purposes, calculated on the basis of the standard Basel III model, shows a continuous strengthening of the requirements, which now far exceed the minimum precautionary level:

- The CET 1 Ratio and Tier 1 Ratio "IFRS 9 *phased-in"* came to 15.4%, up from 14.9% on 31 December 2022. The fully-loaded ratio stood at 15.3%, up from 14.4% at the end of 2022;
- The IFRS 9 phased-in Total Capital Ratio came to 16.8%, so in line with 16.7% recorded on 31 December 2022. The fully-loaded ratio stood at 16.6%, up from 16.2% at the end of 2022.

Liquidity and the leverage ratio

The liquidity situation in December 2023 included the following indicators:

- readily available assets, including assets currently eligible for the Central Bank, and net of those provided as collateral, amounting to a total of €3,208 million;
- financing operations of €750 million with the ECB to optimise the cost of funding (€2,500 million at the end of 2022); these were all TLTRO operations with three-year maturity;
- stable, well-diversified sources of funding, with 98.3% of the retail component made up of direct bank and customer funding (including the issue of securities);
- The Bank's LCR at 31 December 2023, calculated according to the CRR2 regulation, was equivalent to 215%, and the NSFR was above 130%;

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As of 31 December 2023, the operational structure of the Bank consists of 162 branches and 1,374 employees.

To give a more complete picture of the results for 2023, the income statement and balance sheet statements are hereby attached, as well as the reclassified tables included in the report approved by the Board of Directors. It should be noted that the auditing firm responsible for auditing the financial statements has not yet completed its examination.

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The Manager charged with preparing the Bank's financial reports, Alberto Caltroni, hereby declares, pursuant to Art. 154-bis, paragraph 2, of Legislative Decree no. 58/1998, that the accounting information included in this press release corresponds to the Bank's records, ledgers and accounting entries.

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This press release and the information contained therein do not in any way constitute investment advice and are not intended for that purpose. The statements contained therein have not been subject to independent verification. No representation or warranty, express or implied, is made with respect to, and no reliance should be placed on, the impartiality, accuracy, completeness, correctness, and reliability of the information contained therein. The Bank and its representatives disclaim all liability (whether due to negligence or otherwise), arising in any way from this information, and/or liability for any losses arising from the use or otherwise of this communication. By accessing this material, the reader is agreeing to be bound by the restrictions outlined above. This press release contains certain forecasts and statements that reflect the management's current views with respect to certain future events. The forecasts and estimates are generally identifiable by the use of terms such as "may", "should", "predict", "expect", "estimate", "believe", "intend", "plan" and "objective", or by the negative use of these terms or by any other variations on them, or by the use of similar terminology. These forecasts and estimates include, but are not limited to, all types of information other than factual data, including, without any restrictions, those relating to the company's future financial position and operating results, strategy, plans, objectives, and future developments. Due to these uncertainties and risks, readers are cautioned not to place undue reliance on any such forward-looking statements as a prediction of actual results. The Company's ability to achieve its intended results depends on many factors beyond the control of the management. Actual results may differ significantly from (and be more negative than) those projected or implied in the forward-looking statements. Such forecasts and estimates involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. The forecasts and estimates made therein are based on information available to the Company as of today. The Company undertakes no obligation to publicly update and revise forecasts and estimates as a result of new information, future events or otherwise, except as may be required by current legislation. All subsequent written and oral forward-looking statements attributable to the Bank or to persons acting on its behalf are expressly qualified in their entirety by these cautionary statements.

This release is available at www.volksbank.it and www.bancapopolare.it.

RECLASSIFIED BALANCE SHEET

RECLASSIFIED ASSET ITEMS *(data in thousands of Euro)*	**31.12.2023**	**31.12.2022**
Loans to banks	149,180	1,067,357
Loans to customers	7,498,354	7,457,332
a) Loans to customers measured at amortised cost	7,482,906	7,442,401
b) Loans to customers valued at FVOCI and with FV in the Profit and Loss Account	15,448	14,931
CA-rated financial assets that do not constitute loans	2,789,634	2,985,146
Financial assets valued at fair value with impact on profit and loss	43,205	88,966
Financial assets valued at FVOCI	717,569	729,539
Investments	4,362	4,339
Tangible and intangible assets	162,069	160,784
- owned goods	143,062	140,686
- rights of use	19,007	20,098
Tax assets	125,762	138,188
Non-current assets and groups of assets held for sale	3,235	4,849
Other assets	461,128	319,991
Total assets	**11,954,498**	**12,956,491**

RECLASSIFIED LIABILITIES AND EQUITY ITEMS *(data in thousands of Euro)*	**31.12.2023**	**31.12.2022**
Payables to banks at amortised cost	889,152	2,628,754
Payables to customers at amortised cost and outstanding securities	9,737,589	9,159,272
Financial liabilities held for trading	107	384
Financial liabilities designated at fair value	-	-
Tax liabilities	46,852	29,920
Liabilities associated with assets held for sale	-	-
Other liabilities	293,721	240,397
Provisions for risks and charges	63,108	36,717
- of which: commitments and guarantees granted	8,675	9,829
Capital	201,994	201,994
Reserves	624,819	595,373
Valuation reserves	(3,973)	(11,847)
Capital instruments	-	-
Profit (loss) for the year (+/-)	101,129	75,527
Total liabilities and equity	**11,954,499**	**12,956,491**

RECLASSIFIED PROFIT AND LOSS ACCOUNT

RECLASSIFIED PROFIT AND LOSS ACCOUNT ITEMS	31.12.2023	31.12.2022
(data in thousands of Euro)		
Interest margin	275,515	210,022
Net commission	100,404	100,613
First margin	**375,919**	**310,635**
Net result of the financial portfolio	(7,577)	6,763
Other net operating income (expenses)	(3,392)	(1,918)
Other operating income (expenses)	**(10,969)**	**4,845**
Net operating income	**364,950**	**315,480**
Personnel expenses	(112,179)	(105,362)
Administrative expenses	(52,845)	(45,775)
Net result of tangible and intangible assets	(14,874)	(12,934)
Operating costs	**(179,898)**	**(164,071)**
Operating income	**185,052**	**151,409**
Net adjustments on loans to customers	6,782	(20,722)
Adjustments on other assets and liabilities	(366)	(97)
Profits (Losses) on disposal of equity investments and shareholdings	918	(57)
Levies and charges relating to the banking system	(13,253)	(14,335)
Net provisions for risks and charges	(28,495)	(2,612)
Gross profit (loss) from current operations	**150,638**	**113,586**
Income tax	(49,509)	(38,058)
Profit (Loss) for the year	**101,129**	**75,528**

Volksbank

BALANCE SHEET

Assets and liabilities		31.12.2023	31.12.2022
(in EUR)			
10.	Cash and cash equivalents	132,670,583	1,063,322,866
20.	Financial assets at fair value through profit or loss	58,653,057	103,896,451
	a) financial assets held for trading	1,774,089	1,608,254
	b) financial assets designated at fair value	-	-
	c) other financial assets that must be measured at fair value	56,878,968	102,288,197
30.	Financial assets measured at fair value with impact on comprehensive income	717,569,420	729,539,423
40.	Financial assets measured at amortised cost	10,376,748,655	10,515,057,702
	a) due from banks	245,172,714	181,590,462
	b) due from customers	10,131,575,941	10,333,467,240
50.	Hedging derivatives	-	-
60.	Value adjustment of hedged financial assets (+/-)	-	-
70.	Investments	4,362,010	4,339,450
80.	Tangible fixed assets	147,884,495	146,207,245
90.	Intangible fixed assets	13,600,431	14,576,571
	of which:		
	- goodwill	-	-
100.	Tax assets	126,346,004	138,188,423
	a) current	46,894,557	47,966,227
	b) anticipated	79,451,447	90,222,196
110.	Non-current assets and groups of assets held for sale	3,235,390	4,848,930
120.	Other assets	373,427,815	236,513,588
	Total assets	**11,954,497,860**	**12,956,490,649**

Liabilities and equity items		31.12.2023	31.12.2022
(in EUR)			
10.	Financial liabilities valued at amortised cost	10,626,740,679	11,788,026,227
	a) due to banks	889,151,607	2,628,753,865
	b) due to customers	9,017,823,164	8,759,381,566
	c) securities in issue	719,765,908	399,890,796
20.	Financial liabilities held for trading	107,184	383,503
30.	Financial liabilities designated at fair value (IFRS 7 par. 8 (e))	-	-
40.	Hedging derivatives	4,964,943	-
50.	Value adjustment of hedged financial liabilities (+/-)	-	-
60.	Tax liabilities	46,851,980	29,919,529
	a) current	41,875,686	28,863,357
	b) deferred	4,976,294	1,056,172
70.	Liabilities associated with assets held for sale	-	-
80.	Other liabilities	288,757,446	240,397,398
90.	Employee severance indemnities	12,411,268	12,742,904
100.	Provisions for risks and charges	50,696,872	23,973,950
	a) commitments and guarantees issued	8,674,927	9,829,176
	b) pensions and similar obligations	-	-
	c) other provisions for risks and charges	42,021,945	14,144,774
110.	Valuation reserves	(3,973,462)	(11,847,028)
120.	Redeemable shares	-	-
130.	Capital instruments	-	-
140.	Reserves	372,616,920	326,729,530
150.	Share premium reserves	275,887,768	298,773,829
160.	Capital	201,993,752	201,993,752
170.	Treasury shares (-)	(23,686,096)	(30,130,270)
180.	Profit (loss) for the year (+/-)	101,128,606	75,527,325
	Total liabilities and equity	**11,954,497,860**	**12,956,490,649**

PROFIT AND LOSS ACCOUNT

Profit and Loss Account		31.12.2023	31.12.2022
(in EUR)			
10.	Interest receivable and similar income	448,284,277	237,543,697
	of which: interest income calculated according to the effective interest method	416,309,775	217,259,275
20.	Interest paid and similar charges	(172,768,887)	(27,521,449)
30.	**Interest margin**	**275,515,390**	**210,022,248**
40.	Commission income	114,899,632	112,271,291
50.	Commission expense	(14,495,684)	(11,658,203)
60.	**Net commission**	**100,403,948**	**100,613,088**
70.	Dividends and similar income	3,230,542	3,600,101
80.	Net result of trading	3,429,743	2,721,390
90.	Net result of hedging	4,136	-
100.	Profits (losses) on disposal or repurchase of:	(12,154,179)	4,924,540
	a) financial assets measured at amortised cost	(3,926,817)	2,334,065
	b) financial assets measured at fair value through comprehensive income	(8,227,362)	2,590,447
	c) financial liabilities	-	28
110.	Net profit/loss from other financial assets and liabilities measured at fair value through profit and loss	922,527	(2,291,211)
	a) financial assets and liabilities designated at fair value	-	-
	b) other financial assets that must be measured at fair value	922,527	(2,291,211)
120.	**Net banking income**	**371,352,107**	**319,590,156**
130.	Net adjustments/write-backs on credit risk:	1,481,888	(22,144,708)
	a) financial assets measured at amortised cost	1,569,301	(21,844,440)
	b) financial assets measured at fair value through comprehensive income	(87,413)	(300,268)
140.	Profits/losses from contractual amendments without write-downs	867,139	61,228
150.	**Net profit from financial activities**	**373,701,134**	**297,506,676**
160.	Administrative expenses:	(198,493,637)	(185,874,966)
	a) personnel expenses	(112,178,706)	(105,361,632)
	b) other administrative expenses	(86,314,931)	(80,513,334)
170.	Net provisions for risks and charges	(27,341,138)	(4,810,225)
	a) for credit risk relating to commitments and guarantees issued	1,154,249	(2,197,904)
	b) other net provisions	(28,495,387)	(2,612,321)
180.	Net adjustments/write-backs on tangible assets	(13,884,512)	(11,827,951)
190.	Net adjustments/write-backs on intangible assets	(989,421)	(1,105,966)
200.	Other operating charges/revenue	16,824,330	18,484,613
210.	**Operating costs**	**(223,884,378)**	**(185,134,495)**
220.	Profits (Losses) on equity investments	(97,201)	1,269,771
230.	Net result of measurement at fair value of tangible and intangible assets	-	-
240.	Goodwill value adjustments	-	-
250.	Profits (Losses) on disposal of investments	918,379	(56,933)
260.	**Pre-tax profit (loss) for the period from continuing operations**	**150,637,934**	**113,585,019**
270.	Income taxes on current operations	(49,509,328)	(38,057,694)
280.	**Profit (Loss) from current operations after tax**	**101,128,606**	**75,527,325**
290.	Profit (Loss) on discontinued operations after tax	-	-
300.	**Profit (Loss) for the year**	**101,128,606**	**75,527,325**