9M 2022 Results

10th November 2022

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Executive Summary

BFF BANKING GROUP	▪ 9M22 Adjusted Net Profit +33% YoY at €105.4m, strong performance of *Factoring & Lending* and positive contribution of *Securities Services.* Full impact of synergies in *Corporate Center* ▪ BFF won confirmation from EU Court of Justice on the right to recover at least €40 per each overdue invoice, resulting with an additional off-balance sheet reserve of €237m and ~€50m yearly accruals
FACTORING & LENDING	▪ Loans' book up by +37% YoY, a new historical high, driven by strong growth of new volumes (+36% YoY) ▪ Late Payment Interests expected to reach 10.5% from Jan-23 vs current 8%, following refixing mechanism anchored to Central Banks' refinancing rate
SECURITIES SERVICES	▪ AuD down by 6.7% YoY due to negative financial markets, despite positive net inflows. Completed Arca's exit in November ▪ PBT up by 13% YoY, driven by lower costs
PAYMENTS	▪ PBT down by 3% YoY, primarily due to lower expected YoY revenues from *Fondo Nazionale di Garanzia*
CORPORATE CENTER	▪ PBT at €15.1m, up €31.2m YoY, driven by full synergies impact ▪ No ECB funding to be refinanced (i.e. PELTRO, TLTRO, etc…)
CAPITAL & DIVIDENDS	▪ Bank of Italy issued more stringent Past Due criteria on 23rd Sept. 22: Past Due increases despite no change in underlying Group risk ▪ Strong capital position: CET1 ratio at 13.8% and TCR at 19.3%, 15.1% and 20.7% including Q322 profits ▪ **€36.8m** of accrued dividend in 3Q22 (€68.5m of interim dividends paid in Aug-22)
OTHERS	▪ Finalized the acquisition of MC3 Informatica S.r.l., an IT consulting company

P&L by *Business Units*

€m	*Factoring & Lending P&L*	+	*Securities Services P&L*	+	*Payments P&L*	+	*Corporate Center incl. synergies*	=	BFF adjusted P&L	Adjustments (2)	BFF reported P&L (3)
9M 2022											
Net Revenues	124.0		41.1		45.7		64.2		275.0	2.7	277.7
OPEX incl. D&A	(29.7)		(19.0)		(23.6)		(48.7) (4)		(121.0)	(13.2)	(134.2)
LLPs(1)	(3.0)		(0.4)		0.1		(0.5) (4)		(3.8)	0.0	(3.8)
PBT	91.3		21.7		22.2		15.1		150.2	(10.6)	139.6
9M 2021											
Net Revenues	106.0		41.0		46.8		39.7		233.5	129.3	362.8
OPEX incl. D&A	(28.1)		(21.8)		(23.8)		(59.6)(4)		(133.3)	(1.2)	(134.5)
LLPs(1)	(0.1)		-		-		3.8(4)		3.7	(1.3)	2.4
PBT	77.8		19.2		23.0		(16.1)		103.8	126.9	230.7

(1) Including net provisions for risks and charges.
(2) For more details, see slides n° 27, 28 and 9M22 Press Release footnote n° 3.
(3) During 9M21, DEPObank was consolidated for only 7 months (please refer to slide 18 in the Appendix). Please also note that reported numbers differs from 9M22 Consolidated Financial Accounts in the 9M22 Press Release due to adjustments as per note (4).
(4) For representation purposes, 9M22 and 9M21 «Personnel Expenses » include €3.3m and €0.9m, respectively, of costs related to deferred employees' benefits, accounted in «Net provision for risks and LLP» in the Consolidated Financial Accounts. See slide 10, 27 and 28 for further details.

Factoring & Lending KPIs: continues tailwind with loans +37%

BFF factoring & lending

- 9M22 **loan book** up by 37% at €4.8bn(1), at historical high, driven by growth in new business volumes. Strong performance of Italy, up by 56% YoY and Greece up by 63% YoY. Spain up 6% YoY despite continuation of government cash injection in 3Q22(2)
- 9M22 **volumes** up by 36% YoY (see Appendix, slide 20, for country breakdown)
- **LPI stock** at €751m before taxes (up by €30m YoY) with unrecognized LPI stock at €433m (up by €9m YoY)
- **LPI collected** up by +5% YoY, benefitting from the reorganization of the collection team
- EU Court of Justice confirmed the right to recover at least €40 of collection costs per overdue invoice. BFF has an accrued off-balance sheet fund at 237m. Collections are currently accounted on a cash basis (please refer to slide 5 for details)

€m	9M20	9M21	9M22
Loans & Receivables(1)	3,683	3,467	4,760
Volume	3,815	3,794	5,177
Collections - Non recourse	3,853	4,040	4,208
LPIs collected	32	35	37
LPIs fund	700	721	751
Off-balance sheet LPIs fund	*423*	*424*	*433*
Off-balance sheet recovery costs	151	180	237

Loans and receivables (1) *€m*	9M20	9M21	9M22	
Italy	2,234	1,966	3,072	*+56% YoY*
Spain	402	275	292	*+6% YoY*
Poland	670	729	779	*+7% YoY*
Slovakia	200	225	236	*+5% YoY*
Portugal	115	185	240	*+30% YoY*
Greece	55	77	125	*+63% YoY*
Other Countries(3)	7	11	15	*+47% YoY*
Total	**3,683**	**3,467**	**4,760**	*+37% YoY*

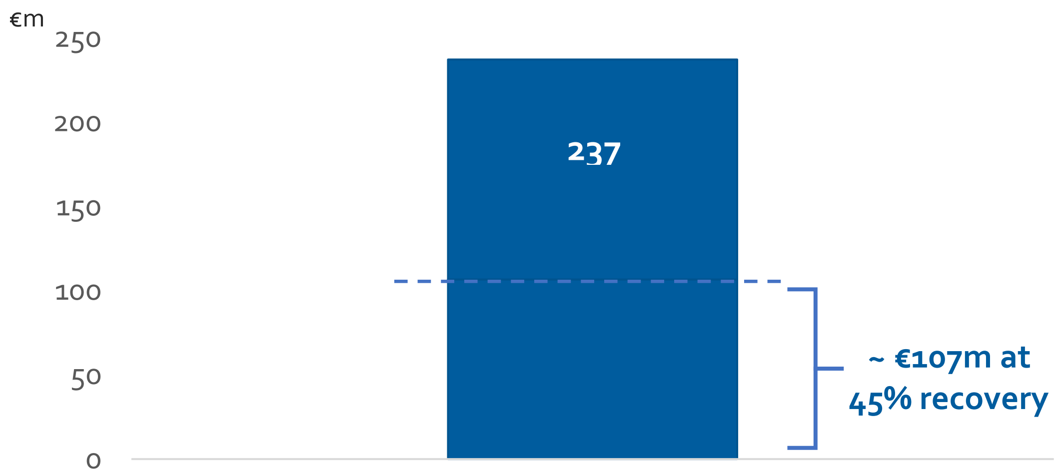
(1) Including: fiscal receivables "Ecobonus" for €221m, which are accounted in «Other Assets» in 9M22 Consolidated Financial Accounts
(2) Spain: €26.2bn of cash injection during the first 9M22 (source: Web oficial del presidente del Gobierno y el Consejo de Ministros), equal c. to 24.6% of total public expenditure for goods and services
(3) France, Croatia, Czech Republic

EU Court of Justice win crystallizes €237m of off-BS capital reserve and c. €50m of off-BS yearly accrual

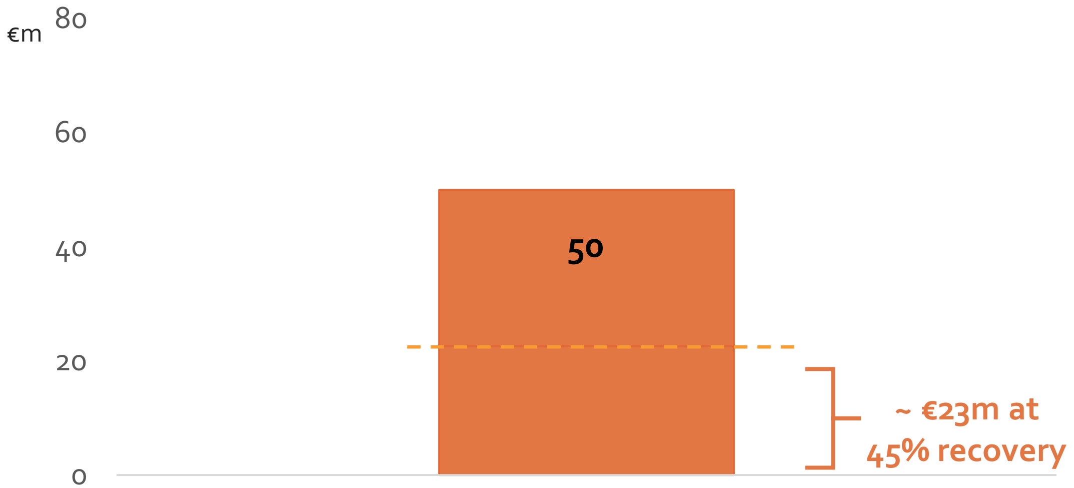
BFF factoring & lending

- BFF **won confirmation from EU Court of Justice**[(1)] **that the late Payment Directive**[(2)] allows creditors to charge at least €40 per overdue invoice, irrespective of the time of delay and amount of the invoice
- Since 2018, BFF did in fact routinely ask to be paid €40 per overdue invoice and has recovered €23.5m so far, mostly through courts, or out-the-court settlements, at a similar rate of recovery of LPIs
- These amounts are currently accounted on BFF's P&L only upon collection in "Other Operating Income (and Expenses)", differently from LPIs which are accrued at 45%, (a level significantly lower than actual collection)
- In the last 12 months, BFF has accrued c. €50m of rights to recovery-costs on c. 1.2m invoices, while collecting, in the first 9 months of 2022, €5.4m. BFF has an off-balance sheet cumulated recovery-costs rights of c. €237m

Stock of off-balance sheet "Recovery-Costs" €m



Yearly Flow of "Recovery Costs" rights €m



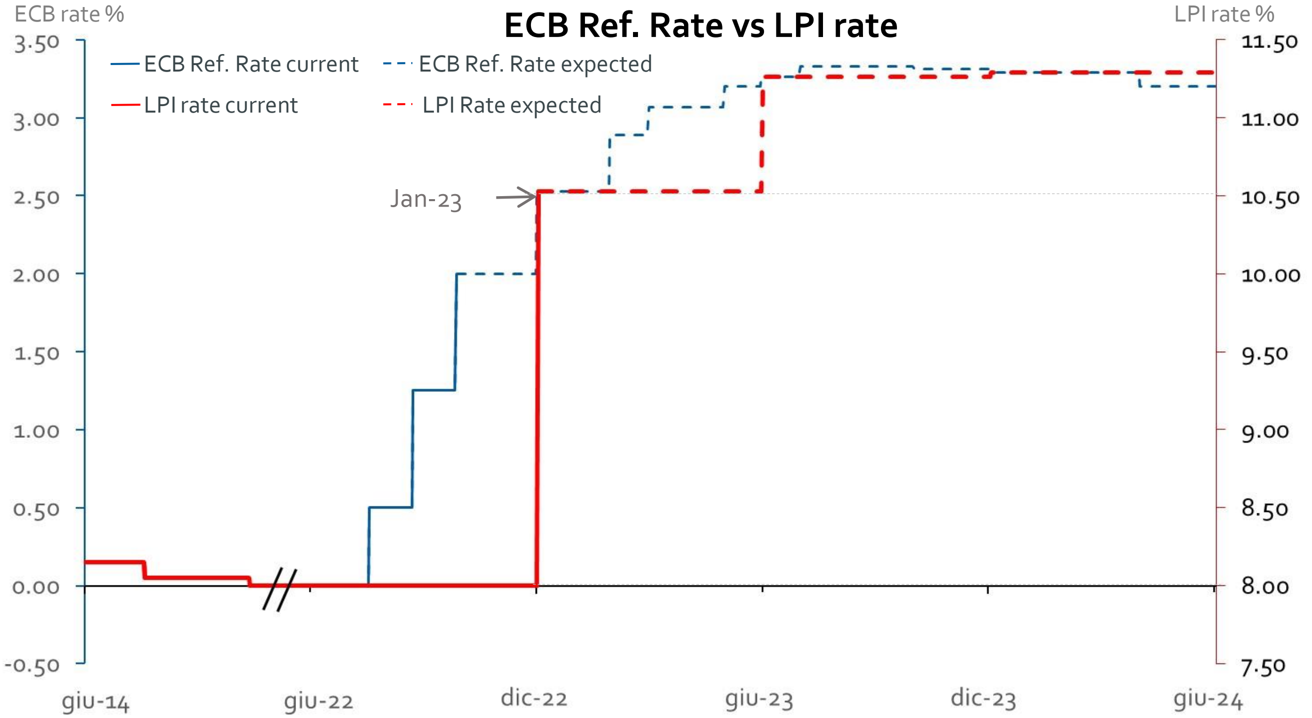
(1) Link to URL EU Court of Justice Sentence
(2) Late Payment Directive n° 2011/7/EU

LPI refixing mechanism: refix to come from Jan-23

BFF will benefit from a higher LPI rate on overdue invoices towards PA from Jan-23

ILLUSTRATIVE

- LPIs are equal to 8%+ spread plus Central Banks's refinancing rate by European Directive (Late Payment Directive n° 2011/7/EU)
- LPI refixes every 1°-Jan and 1°-Jul, on the basis of the then level of the Central Banks's refinancing rate, and is expected to reach 10.5%+ in Jan-23 (10% already locked in with the rate increase of 27-Oct-22)
- From Jan-23 BFF is expected to benefit, on overdue invoices towards PA (€2.2bn as of 30-Sept-22), from a 2.5% increase in LPI rate (45% of which, 1.1%, will be accounted on an accrual basis, see slide 21 in Appendix)



Tab. 1 - € Countries	Base Rate	Spread	Refixing	Current	Expt Rate + Spread
Italy, Spain, Portugal, France, Greece, Croatia[1]	ECB refinancing rate	8%	1-Jan-23	8%	10.50%
Slovakia	ECB refinancingrate	9%	1-Jan-23	9%	11.50%

Tab. 2 - Non € Countries	Base Rate	Spread	Refixing	Current	Expt Rate + Spread
Poland	Reference rate Bank of Poland	8%/10%	1-Jan-23	14.75% for hospital 16.75% for other	14.75% / 16.75%
Czech Rep.	Repo Rate	8%	1-Jan-23	15%	15%

(1) Croatia: shift to ECB refinancing rate due to the introduction of the € from Jan-23.

Factoring & Lending P&L: PBT +17% YoY

factoring & lending

- **Net Interest Income** at €114.4m (+17% YoY), thanks primarily to higher loan book and to higher net LPIs over-recovery (+€3.8m YoY)
- **Total Net Revenues** at €124.0m + 17% vs 9M21
- **Gross yield on average loans at** 5.2% an increase of 4% YoY
- **Direct OPEX** at €28.6m (+6% YoY), at 0.9% on average loans balances, down from 1.1% in 9M21
- **Net provision for risk and LLP** at €3.0m mostly due to specific provisions on private exposure
- **Other Operating Income (Expenses)** at €7.3m (+82% YoY) primarily due to higher collection of the €40 recovery costs
- **Profit Before Taxes** at €91.3m, +17% YoY

€m	9M20	9M21	9M22
Net Interest Income	**103.8**	**97.4**	**114.4**
of which Net LPIs over-recovery	*(5.8)*	*(3.0)*	*0.8*
Net Fee and Commission	3.2	4.6	2.3
Other Operating Income (Expenses)(1)	5.5	4.0	7.3
Total Net Revenues	**112.4**	**106.0**	**124.0**
Direct OPEX	(26.1)	(27.0)	(28.6)
Direct D&A	(0.3)	(1.1)	(1.1)
Net provisions for risks and LLP	(2.8)	(0.1)	(3.0)
Profit Before Taxes	**83.1**	**77.8**	**91.3**

Gross yield on average loans %	5.4%	5.0%	5.2%
Cost of Funding on average loans %	2.1%	1.7%	2.2%
Net Interest Income/RWAs %	6.3%	8.2%	6.7%
OPEX and D&A /Average Loans %	0.9%	1.1%	0.9%
Cost/Income(2) %	24%	27%	24%
Cost of Risk(3) %	0.10%	0.02%	0.09%

(1) The item "Other Operating Income (Expenses)"also includes €0.1m of Other Income only for 9M 2020
(2) Calculated as (OPEX and D&A) / (Net Banking Income and Other operating income)
(3) Calculated as Loan Loss Provisions / Loans and Receivables

Securities Services – KPIs and P&L: PBT up by 13%

- **Depositary Bank**'s AuD at €77.4bn (-6.7% YoY), due to negative financial market performance, only partially offset by positive net inflows
- **Global Custody's AuC** down by 4.5% YoY to €164.5bn, also impacted by financial markets
- 9M22 **Deposits** at €4.5bn, down by €1.0bn YoY, due to €0.5bn of lower YoY deposits from Arca (at €1.2bn as 30-Sept-22 vs. €1.7bn of previous year), lower AuD and to shift of liquidity towards higher yield-generating assets
- **NII** down by 16% due to lower deposits
- **Total Net Revenues** up by 0.3% YoY, thanks to higher **Fee and Commission Income**, up by +5% YoY
- **Direct OPEX** decreased by 10% YoY, despite higher revenues, benefitting from contract renegotiations
- Good growth of **PBT** +13% YoY
- Completed **Arca** exit in November, with operating cost reduction under way

	9M20	9M21	9M22
Depositary Bank (AuD EoP , €m)	71,746	82,926	**77,392**
Fund Accounting (AuM EoP , €m)	46,628	54,150	**52,911**
EoP Transfer Agent (n° clients, #k)	2,171	2,175	**0,968**
Global Custody (AuC EoP , €m)	140,628	172,180	**164,451**
Settlement (n° operations, #k)	1,701	1,980	**2,087**
EoP Deposits (€m)	6,053	5,536	**4,540**
Cost/Income ratio(1)	57%	53%	**46%**

€m	9M20	9M21	9M22
Net Interest Income	**7.9**	**6.6**	**5.5**
Net Fee and Commission Income	31.1	34.0	**35.6**
Other Operating Income (Expenses)	0.9	0.5	**(0.0)**
Total Net Revenues	**39.9**	**41.0**	**41.1**
Direct OPEX	(21.5)	(21.1)	**(18.9)**
Direct D&A	(1.1)	(0.7)	**(0.1)**
Net provisions for risks and charges	(1.0)	-	**(0.4)**
Profit Before Taxes	**16.3**	**19.2**	**21.7**

(1) Calculated as (Opex and D&A) / (Net Banking Income and Other operating income)

Payments – KPIs and P&L: growth in KPIs, driven by higher economic activity

- Number of transactions of **transfer and collections** +6% YoY
- **Card settlement** transactions up by +36% YoY, thanks to higher activity from client banks, without a corresponding increase in commissions due to increasing shift towards flat fee pricing related to competition from new products
- **Checks and receivables volumes continue** structural decrease
- **Corporate payments** +12% YoY, driven by higher economic activity vs. 9M21
- **Net interest income** +4% YoY
- **Commissions** at €31.3m down by -5% YoY, due to lower revenues from *Fondo Nazionale di Garanzia* vs. previous year (-€3.4m YoY) following exceptional pandemic measures by the government
- **Total Net Revenues** down by -2%
- **Direct OPEX** flat, despite higher transactions volumes
- **PBT** down by 3% YoY

	9M20	9M21	9M22
Transfer and collections (n° oper. #m)	206	228	**243**
Card & Other settlement (n° oper. #m)	140	139	**189**
Checks & receivables (n° oper. #m)	26	19	**16**
Corporate payments (n° oper. #m)	41	43	**49**
EoP Deposits (€m)	2,076	2,250	**2,087**
Cost/Income ratio[1]	62%	51%	**52%**

€m	9M20	9M21	9M22
Net Interest Income[2]	**1.3**	**5.4**	**5.6**
Net Fee and Commission Income	29.6	33.1	**31.3**
Other Operating Income (Expenses)	5.5	8.3	**8.8**
Total Net Revenues	**36.4**	**46.8**	**45.7**
Direct OPEX	(21.6)	(23.2)	**(23.4)**
Direct D&A	(0.9)	(0.6)	**(0.2)**
Net provisions for risks and charges	(0.0)	-	**0.1**
Profit Before Taxes	**13.9**	**23.0**	**22.2**

(1) Calculated as (OPEX and D&A)/(Net Banking Income and Other operating income)
(2) From 1Q21 transfer pricing mechanism modified vs. DEPObank's 1Q20

Corporate Center – P&L: PBT up by €31.2m YoY

- **PBT** at €15.1m, up by €31.2m YoY, from -€16.1 of previous year, thanks to full impact of synergies
- **NII** at €42.0m, up by €23.4m YoY, primarily due to funding synergies and higher interest income from HTC bond portfolio
- **Total Net Revenues** at €64.2m, up by €24.5m YoY
- **Direct Opex** and **D&A** down by €10.9m(2), -18% YoY, driven by cost synergies
- **Provision for risks** negative at -€0.5m(2). 9M21 instead, positively impacted by release of provisions

BFF Bank P&L – *Factoring & Lending* P&L – *Securities Services* P&L – *Payments* P&L = *Corporate Center* P&L

Total Employees (HC)	BFF Bank	Factoring & Lending	Securities Services	Payments	Corporate Center
31/03/21	881	375	177	49	280
30/09/22	848	358	171	54	265

€m	9M20 R	9M21 R	9M22
Net Interest Income	**49.0**	**18.5(1)**	**42.0(1)**
Net Fee and Commission Income	(0.5)	(1.2)	(0.6)
Other Income (Expenses)	6.1	22.3(1)	22.9(1)
Total Net Revenues	**54.6**	**39.7**	**64.2**
Direct OPEX	(61.8)	(54.4)	(43.5)
Personnel Expenses(2)	*(25.8)*	*(25.4)*	*(23.9)*
G&A	*(36.0)*	*(29.0)*	*(19.7)*
D&A	(6.2)	(5.2)	(5.1)
Net provisions for risks and LLP(2)	0.5	3.8	(0.5)
Adjusted Profit Before Taxes	**(12.9)**	**(16.1)**	**15.1**

Key synergies areas

(1) From 9M22 the costs related to currency swaps, to finance PLN asset, are accounted in «Interest Expenses» (previously in «Other Income(Expenses)». See slides 27 and 28 for further details. Restatement applies from 1H21. Restated «Net Interest Income» is €24.6m for 1H22 and €9.7m for 1Q22, while restated «Other Income» amounts to €17.9m in 1H22 and €14.6m for 1Q22.

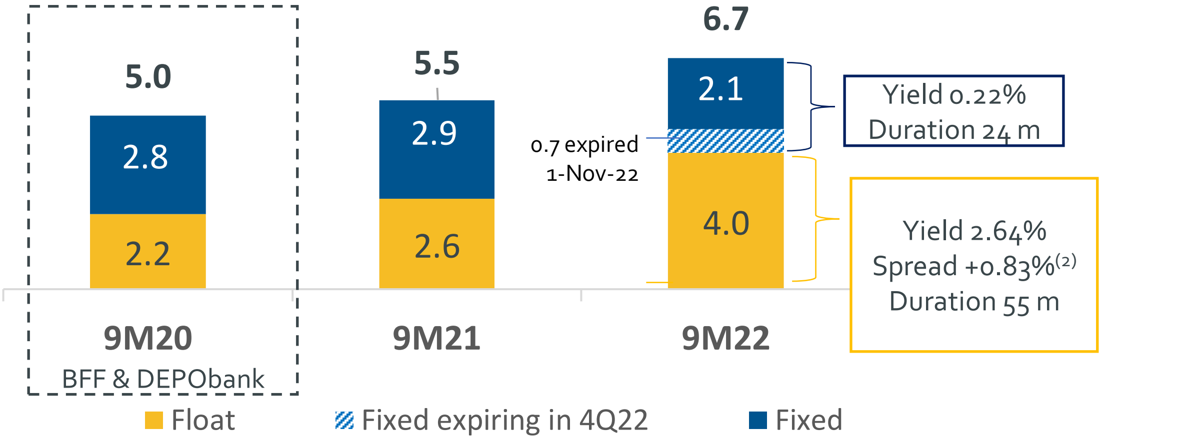
(2) «Personnel Expenses » include in 9M22 €3.3m, in 9M21 €0.9m and in 9M20 €1.1m of costs related to deferred employees' benefits, previously accounted in «Net provision for risks and LLP». In 9M22 Consolidated Accounts these costs are included in "Net Provision for Risks and Charges". Restated «Personnel Expenses» is €(16.2)m for 1H22 and €(7.4)m for 1Q22, while restated «Net Provisions for risks and LLP» amounts to €(0.2)m in 1H22 and €(0.4)m for 1Q22.

Solid Asset & Liability Structure, no ECB funding

- Strong LCR at 182.6% and NSFR at 146.8%. Leverage ratio at 4.0%
- HTC government bonds portfolio at €6.7bn, with €4bn of floaters as of 30-Sept-22. Rebalancing portfolio with new floaters' purchases to benefit from raising interest rates
- Growth in retail deposits (+€278m vs 1H22) in Poland and Spain
- No ECB funding to be refinanced, nor ordinary (OMO) neither extraordinary (i.e. PELTRO, TLTRO, etc…).
- Euro cost of funding at -17bps over Euribor 1-month in 3Q22, vs. +13bps in 2Q22

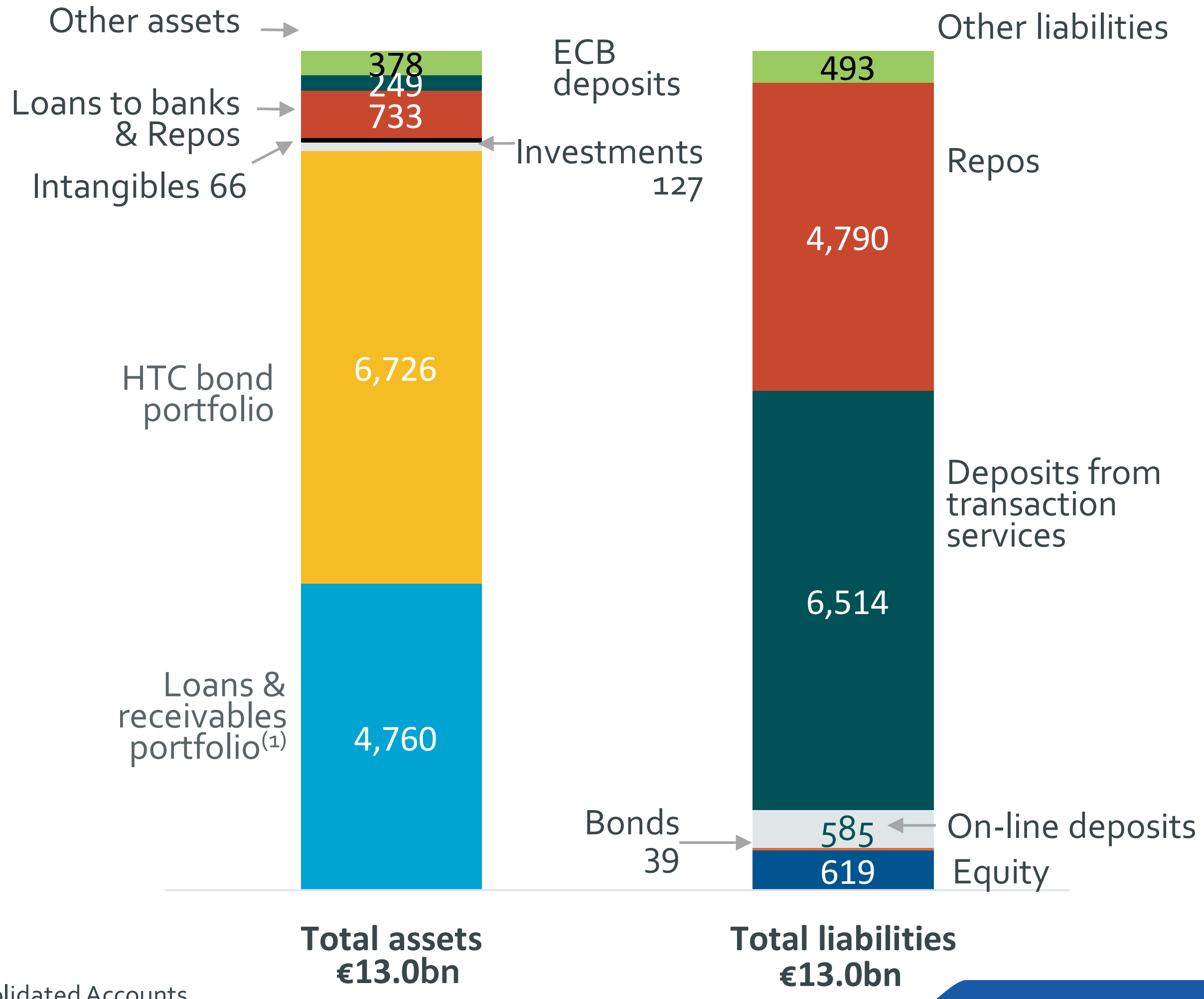
HTC bond portfolio (€bn)

€1.2bn expiring in 4Q22, out of which €0.7bn on 1-Nov-22



LCR 182.6% | Leverage ratio 4.0% | NSFR 146.8% | Loan/ Deposits 0.67%

Breakdown 9M22 (€m)



(1) Including fiscal receivables "Ecobonus" for €221m, which are accounted in «Other Assets» in 9M22 Consolidated Accounts

(2) Based on 6m Euribor as of 30-Sep-22. 80% of the floaters will refix by the end of October, additional 17% will refix by the year end

Bank of Italy more stringent criteria on New DoD result in higher public sector Past Due, with unchanged risk profile

- **Past due** increased to €187.1m due to new and more stringent guidance on the New DoD(1) issued by Bank of Italy on 23-Sept-22. Group underlying credit risk remains unchanged thanks to almost entire exposure towards Public Administration (91% of NPE)
- BFF is studying the development of an internal model for credit risk calculation (AIRB) which could allow lower past dues vs current standard model

A **Cost of Risk in 9M22** at 10.6bps mostly due to specific provisions on private exposure

B **91% of impaired loans are towards public sector**

C NPL are mainly due to municipalities in conservatorship ("*dissesti*")(2), with **NPL ratio** excl. "*dissesti*" at 0.2% of loans D

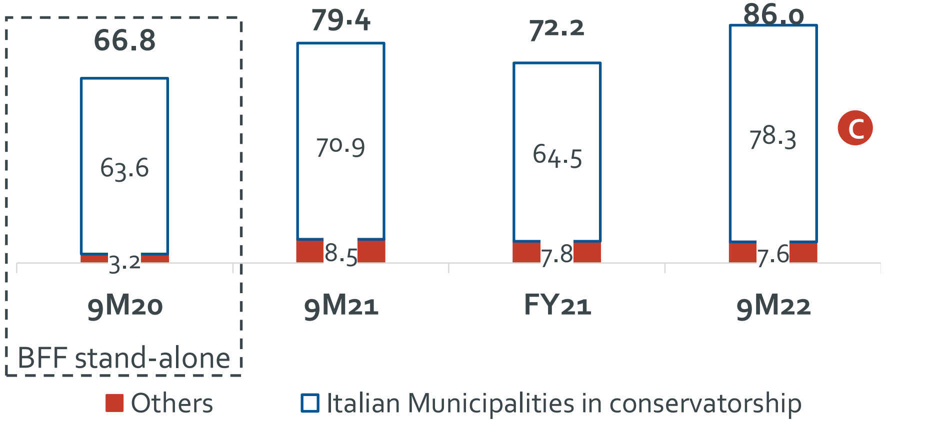
€m	BFF stand-alone 9M20	BFF & DEPObank 9M21	BFF & DEPObank FY21	BFF & DEPObank 9M22
Net NPLs	66.8	79.4	72.2	86.0
Net UTP	15.7	12.5	12.4	13.1
Net Past due	45.0	1.3	19.4	187.1
Net impaired loans	**127.5**	**93.2**	**104.1**	**286.2** B
excl. Italian municipalities	*63.9*	*22.3*	*39.6*	*207.9*

80% public sector (FY21)

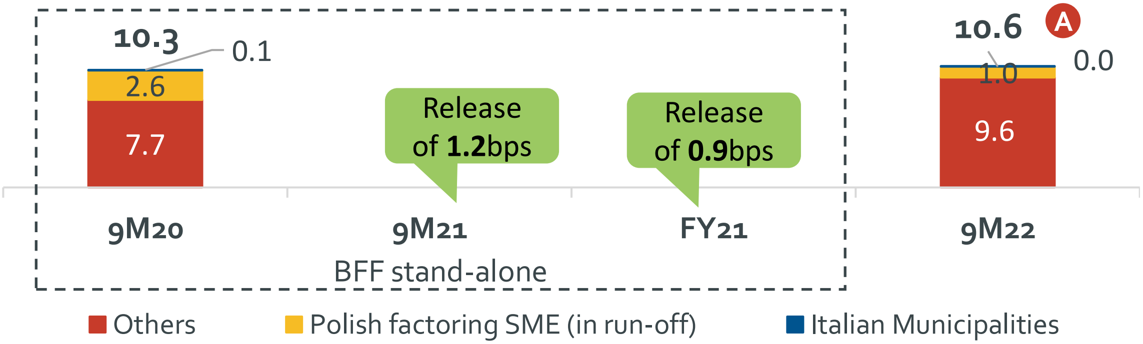
91% public sector (9M22)

Net Non-Performing Loans evolution (€m)

	9M20	9M21	FY21	9M22
NPL ratio excl. Italian Municipalities	0.1%	0.2%	0.2%	0.2% D
Coverage Ratio excl. Italian Municipalities	81%	66%	68%	69%
NPL ratio	*1.8%*	*2.2%*	*1.9%*	*1.8%*



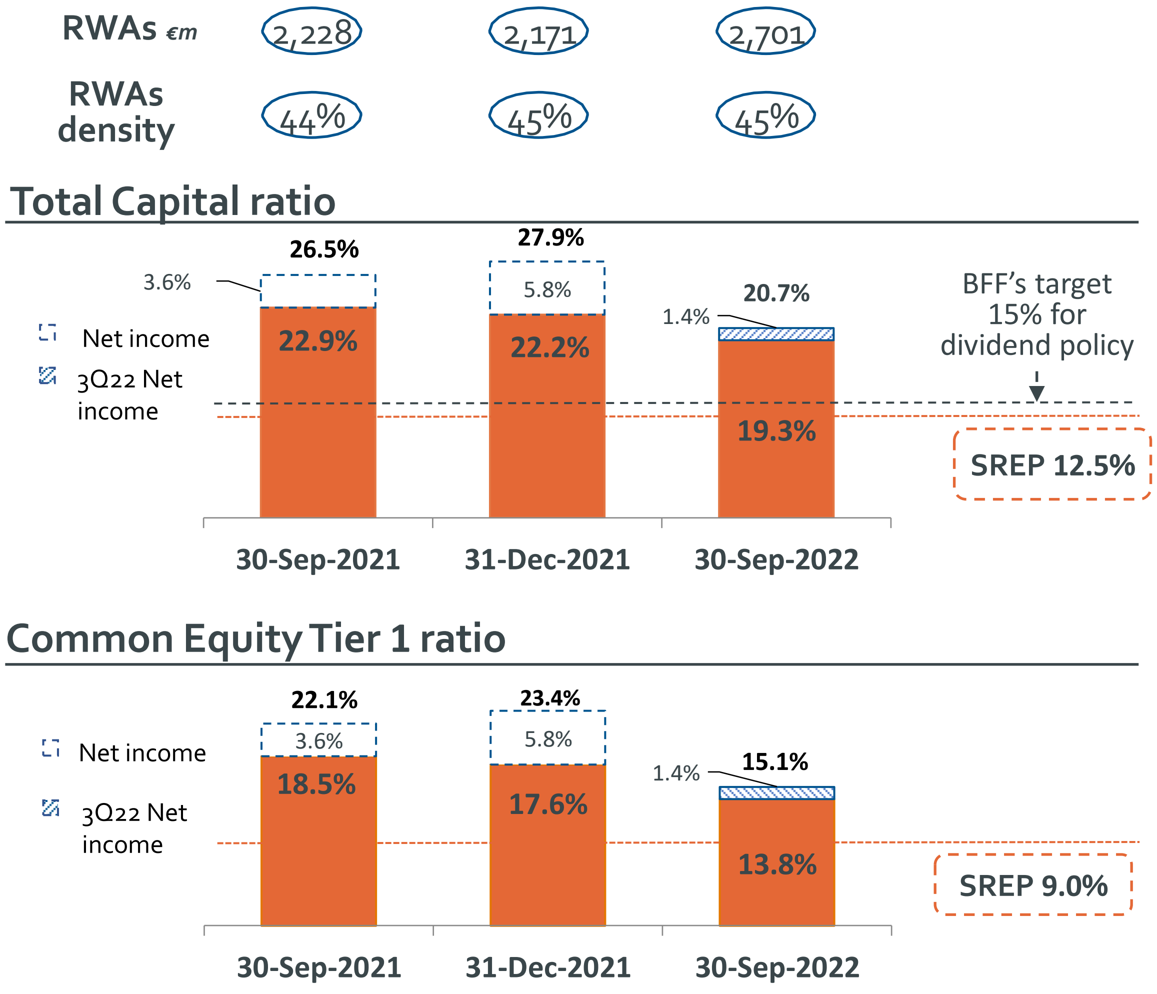
Annualized Cost of Risk (bps on loans)



(1) New DoD: "Guidelines on the application of the definition of default under Art. 178 of Regulation (EU) no. 575/2013"
(2) Municipalities in conservatorship are exposures classified as NPLs by regulation, despite BFF is legally entitled to receive 100% of the principal and LPIs at the end of the process

Solid Capital Ratios with €117m of excess capital vs. dividend policy target and €36.8m of 3Q22 accrued dividend

- **Total Capital ratio at 19.3% and CET1 ratio at 13.8%**, with €117m of capital in excess of 15.0% TC ratio target, €154m including 3Q22 net profit. RWAs increase due to higher loan book and higher past due
- 20.7% TCR and 15.1% CET1 ratio including 3Q22 net profit. **Next semi-annual dividend will be paid post AGM of Apr-23, €36.8m already accrued in 3Q22**
- Received MREL requirements with compliance due **from 1-Jan-25. Since there is no subordination requirement,** senior preferred instruments can be used[(1)]
- New SREP requirements: 9% on CET1 (vs. previous 7.85%), 10.5% on Tier 1 (vs. previous 9.65%) TCR 12.5% (vs. previous 12.05%)
- RWAs calculation based on the Basel Standard Model



(1) As of 30-Sep-22: proforma shortfall TREA €64.7m and LRE €176.5m

Next Events

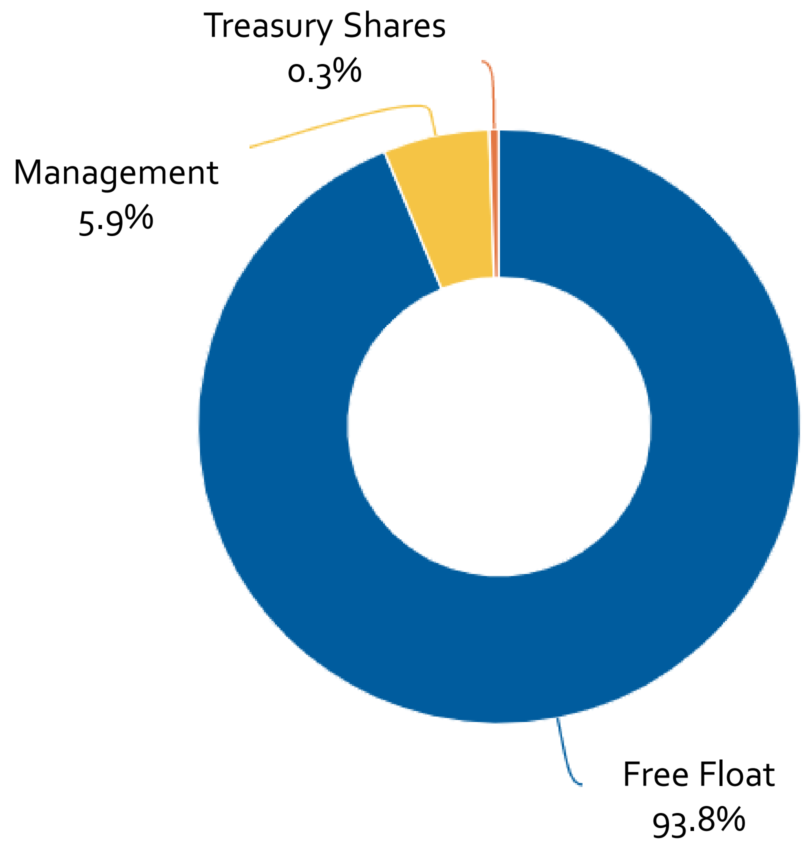
11^{th} – 21^{st} Nov-22	9M 2022 virtual and physical - Milan, London - Roadshow
17^{th} Nov-22	BNP Paribas Exane - 5^{th} MidCap CEO Conference - Paris
6^{th} Dec-22	CIC/Akros Market Solutions Forum - Paris

Appendix

Glossary

AGM	Annual General Meeting	**Govies**	Government bonds	**OPEX**	Operating Expenditures
AuC	Assets under custody	**G&A**	General and Administrative	**P&L**	Profit & Loss
AuD	Assets under depositary	**H**	Half-year	**PA**	Public Administration
Avg.	Average	**HTC**	Held-To-Collect	**PAYM**	*Payments*
BoI	Bank of Italy	**IRR**	Internal Rate of Return	**PBT**	Profit before taxes
Bps	Basis Points	**KPIs**	Key performance indicators	**PELTRO**	Pandemic Emergency Longer-Term Refinancing Operations
BS	Balance Sheet	**LCR**	Liquidity Coverage Ratio	**pf**	Pro-forma
BUs	Business units	**LLP**	Loan loss provisions	**QoQ**	Quarter-on-quarter
CC	Corporate Center	**LPIs**	Late payment interests	**Repo(s)**	Repurchase agreement(s)
CEE	Central-Eastern Europe	**LRE**	Leverage Ratio Exposure	**RoTE**	Return on Tangible Equity
CET1	Core Equity Tier 1	**MREL**	Minimum Requirement for own funds and Eligible liabilities	**RWA**	Risk weighted assets
DoD	Definition of Default	**NHS**	National Healthcare System	**SREP**	Supervisory Review and Evaluation Process
D&A	Depreciation and amortisation	**NII**	Net Interest Income	**SS**	*Securities Services*
ECB	European Central Bank	**NPE**	Non-performing exposures	**TC/TCR**	Total Capital/Total Capital Ratio
EoP	End of the period	**NPL**	Non Performing Loans	**TLTRO**	Targeted Longer-Term Refinancing Operations
Euribor	Euro InterBank Offered Rate	**NSFR**	Net Stable Funding Ratio	**TREA**	Total Risk Exposure Amount
FY	Full-year	**OCI**	Other comprehensive income	**UTP**	Unlikely To Pay
F&L	Factoring & Lending	**OMO**	Open Market Operations	**YoY**	Year-on-year

A true Public Company with Management owning c. 5.9%



Total Number of shares as of 30/9/2022: 185,521,548

9M21 P&L reported has a different perimeter vs 9M22

9M21 P&L Adjusted

9M21 BFF

January - September

9M21 ex DEPObank

January - September

9M22 P&L Adjusted & Reported

9M22 BFF

January - September

9M22 ex DEPObank

January - September

9M21 P&L Reported[(1)]

9M21 BFF

January - September

9M21 ex DEPObank

~~January+February~~

March - September

(1) During 9M21, DEPObank was consolidated for only 7 months

Positively Geared to a worsening of the European Macro and Public Finances outlook

Slide updated from «1H2022 Results»

Outlook	Potential impact for BFF	
1 Rising inflation	▪ Inflation increases nominal expenditures of public sector	↑ Volumes ↑ Loans
2 Rising interest rates	▪ Double geared to interest rates ▪ LPI charged to debtors are at variable rate ▪ High portion of loans funded by equity (Equity/Avg. Loans *ratio* ~ 13%)	↑ Net interest margin
3 Worsening public finances	▪ Pressure on preserving cash leads to higher payment times by PA ▪ Therefore, larger loan book for the same amount of volumes, with BFF costs mostly fixed or geared to volumes	↑ Loans ↑ Profitability ↑ RoTE
4 Increase perceived political / country risk	▪ Higher demand from customers ▪ Lower price sensitivity ▪ Traditional banks less interested in the sector	↑ Volumes ↑ Pricing

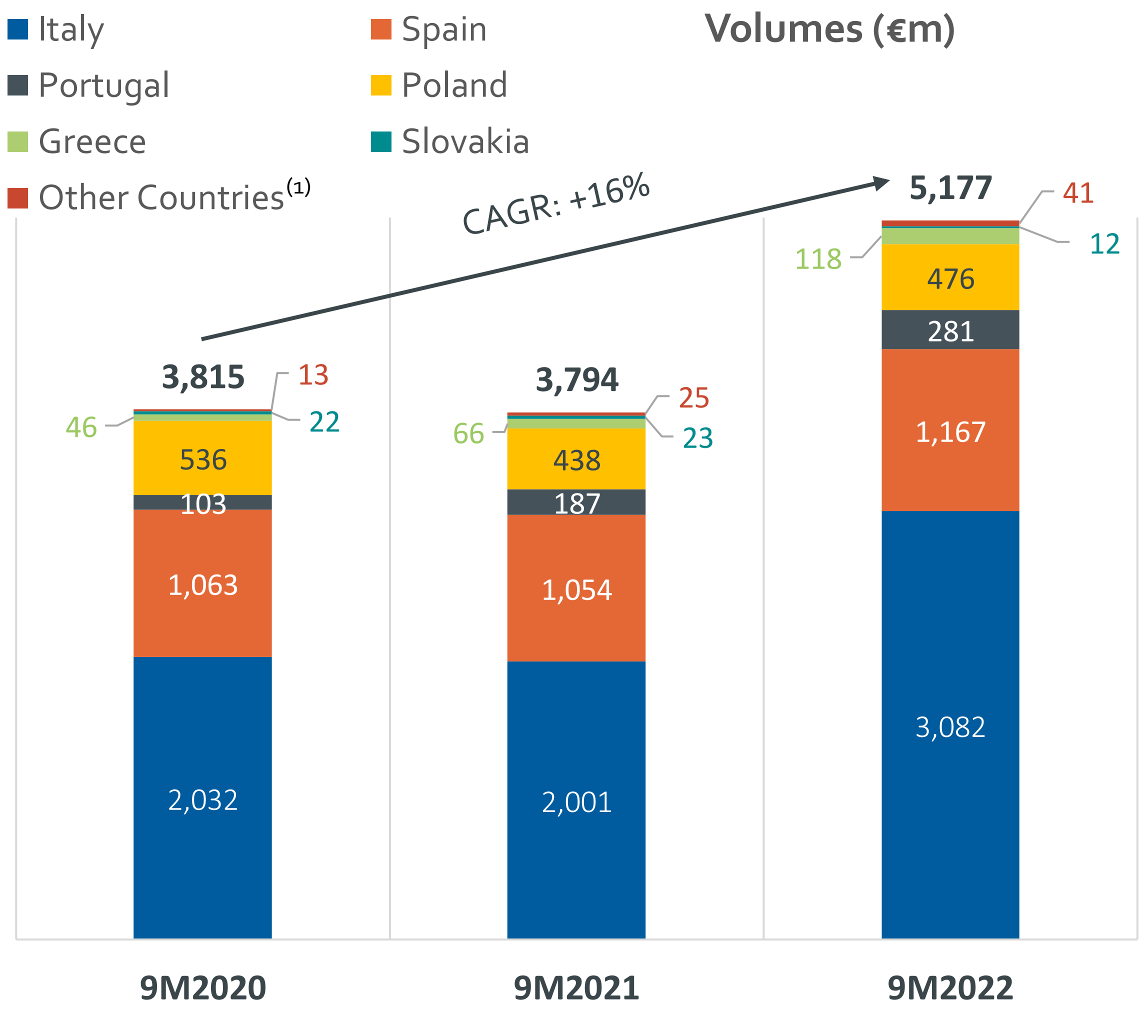
Factoring & Lending: Volumes up 36% YoY, back to 10%+ long-term target growth rate

- Visible benefits from strong commercial efforts in a macro environment where higher interest rates and inflation expectations induce companies to reconsider working capital strategy
- **New Business Volumes +36% YoY at €5.2bn, in line with 1H22 trend:**

○ Successful turnaround of Italy, with +54% YoY volumes growth, Spain up +11% YoY, Portugal up +50% YoY and Greece up +77% YoY

○ In "Other Countries" France up +70% YoY and Croatia up +18% YoY

○ CEE countries up +6% YoY, with Poland up +9% YoY, Czech Republic up +97% YoY and Slovakia down -46% YoY, slightly improving vs. 1H22 (-52% YoY as of 30-Jun 22)



(1) Other Countries include France, Croatia and Czech Republic.

Impact of increase of LPI rate on P&L

Slide updated from «Investor Day 2021»

Assumptions - illustrative example

- **LPIs rate: ECB refinancing rate + 8.0% = 10.5%**
- BFF purchase date: **31-Dec-22**
- Nominal value of the invoice (principal): **€100k**
- Maturity commission (discount): 2% → Purchase price: **€98k**
- Expected collection time for the principal (DSOs): **1 year**
- LPIs collection time: **5 years → 31-Dec-27**
- Statutory accrued LPIs for BFF: **45% → €4.7k**
- LPIs collection rate: **70% → €7.4k**
- LPIs over-recovery: **€7.4k - €4.7k = €2.6k**
- IRR: **5.9% with LPI at 10.5%, 5.1% with LPI at 8.0%**

Funded period | *Unfunded period*

Invoice purchase **-€98k** — DSOs — Collection of the principal(1) **+€100k** — **5 years on average** — Collection of LPIs **+€7.4k**

LPI at 10.5%

€k	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	TOTAL LPI at 10.5%
Balance sheet	98.0	3.8	4.0	4.2	4.5	0.0	
Total P&L	-	5.8	0.2	0.2	0.2	2.9	9.4
Maturity commission (discount)	-	*2.0*	-	-	-	-	*2.0*
LPIs at 45%	-	*3.8*	*0.2*	*0.2*	*0.2*	*0.3*	*4.7*
LPIs over-recovery (collection at 70%)	-	-	-	-	-	*2.6*	*2.6*

LPI at 8.0%

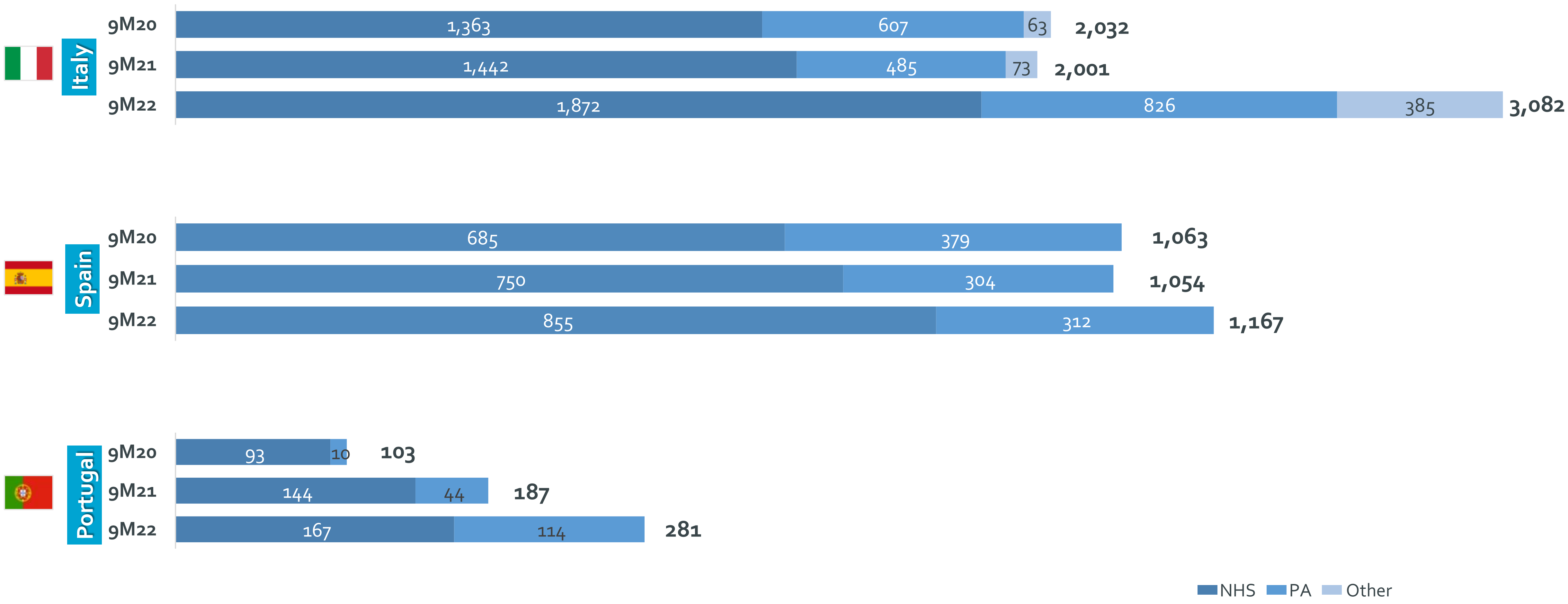
€k	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	TOTAL LPI at 8%
Balance sheet	98.0	3.0	3.1	3.3	3.4	-	
Total P&L	-	5.0	0.1	0.2	0.2	2.2	7.6
Maturity commission (discount)	-	*2.0*	-	-	-	-	*2.0*
LPIs at 45%	-	*3.0*	*0.1*	*0.2*	*0.2*	*0.2*	*3.6*
LPIs over-recovery (collection at 70%)	-	-	-	-	-	*2.0*	*2.0*

DELTA €k	31/12/2022	31/12/2023	31/12/2024	31/12/2025	31/12/2026	31/12/2027	TOTAL DELTA
Balance sheet	-	+0.8	+0.9	+1.0	+1.0	-	
Total P&L	-	+0.8	+0.1	+0.1	+0.1	+0.7	+1.8
Maturity commission (discount)	-	-	-	-	-	-	-
LPIs at 45%	-	*+0.8*	*+0.1*	*+0.1*	*+0.1*	*+0.1*	*+1.1*
LPIs over-recovery (collection at 70%)	-	-	-	-	-	*+0.6*	*+0.6*

(1) For receivables not collected within the expected maximum collection date, interest income is reduced by the amount of yield required to keep the IRR of the portfolio constant (i.e., equal to IRR at pricing) until the new expected collection rate. In particular, the value of the credit on the balance sheet is re-calculated using the new expected cash-flow schedule (including expected LPIs), and the negative delta in value is booked in P&L to maintain the original IRR ("rescheduling impact")

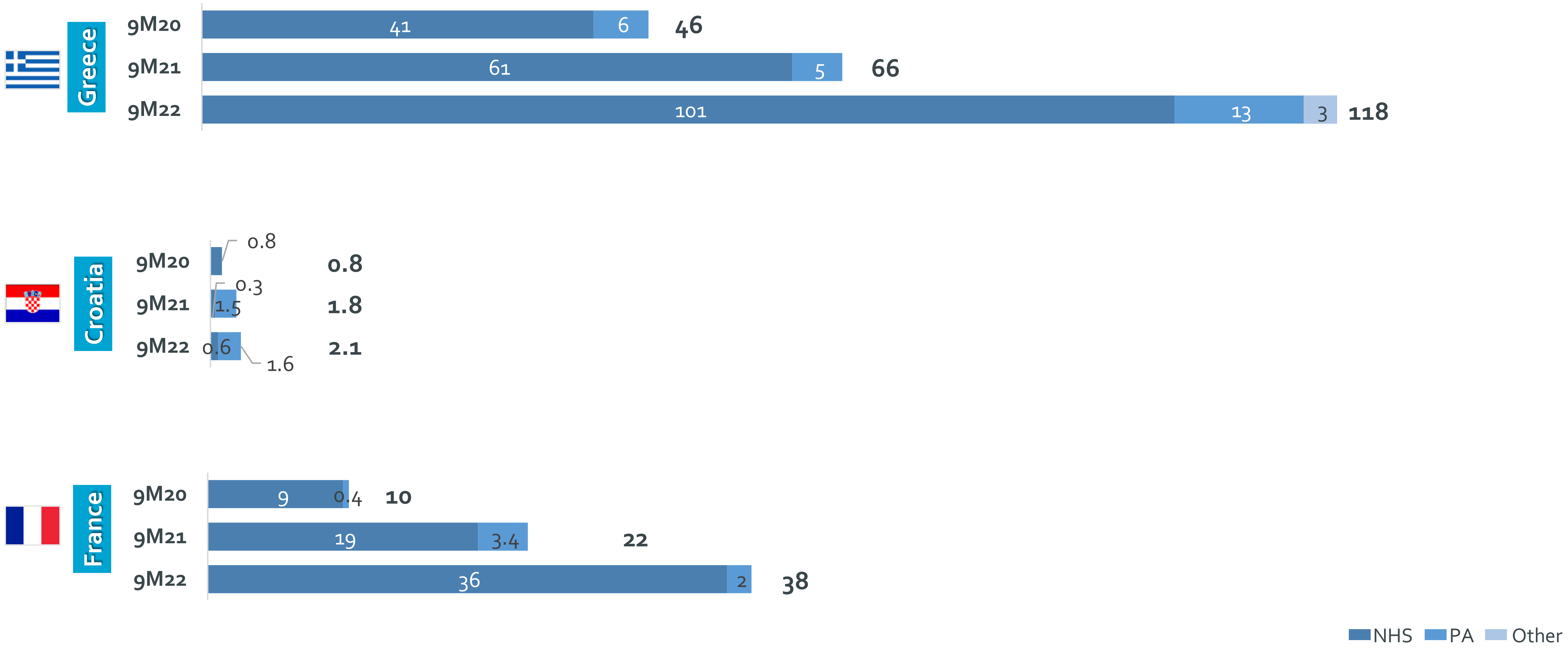
Non-recourse factoring Volumes (€m)

(1/2)

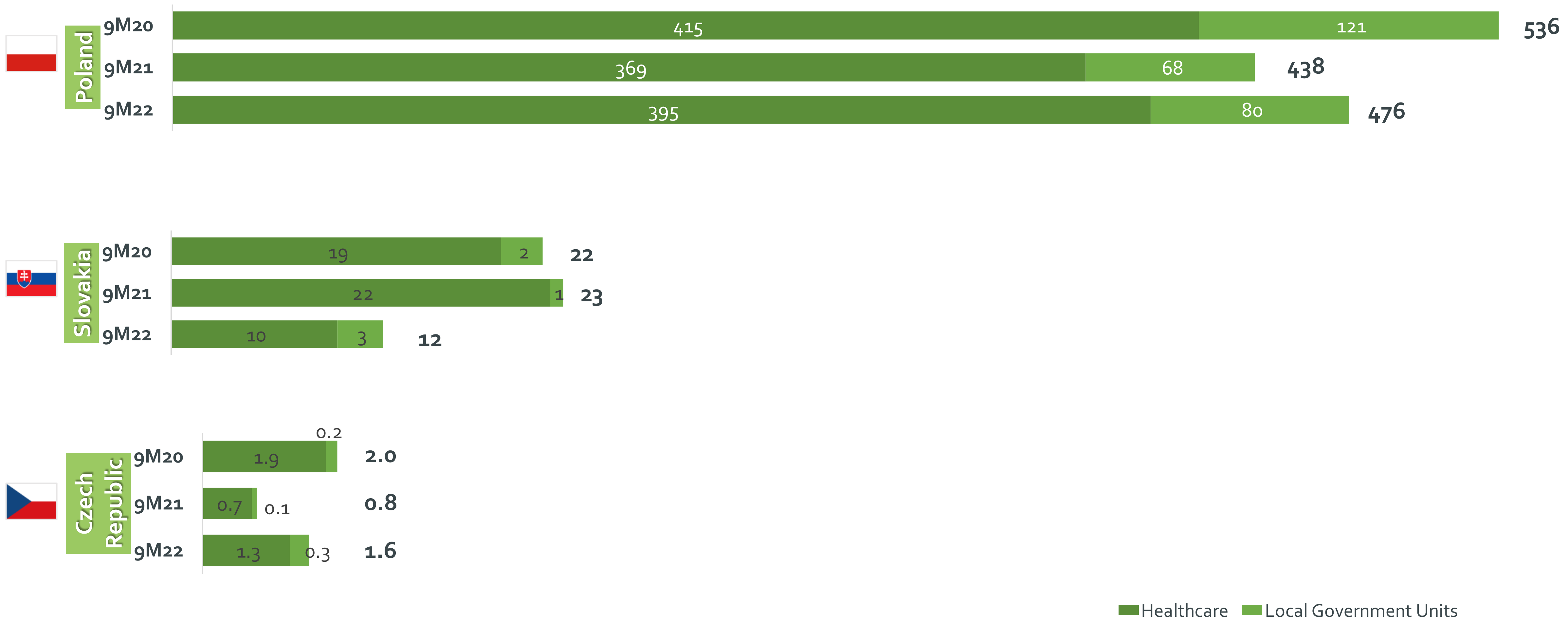


Non-recourse factoring Volumes (€m)

(2/2)

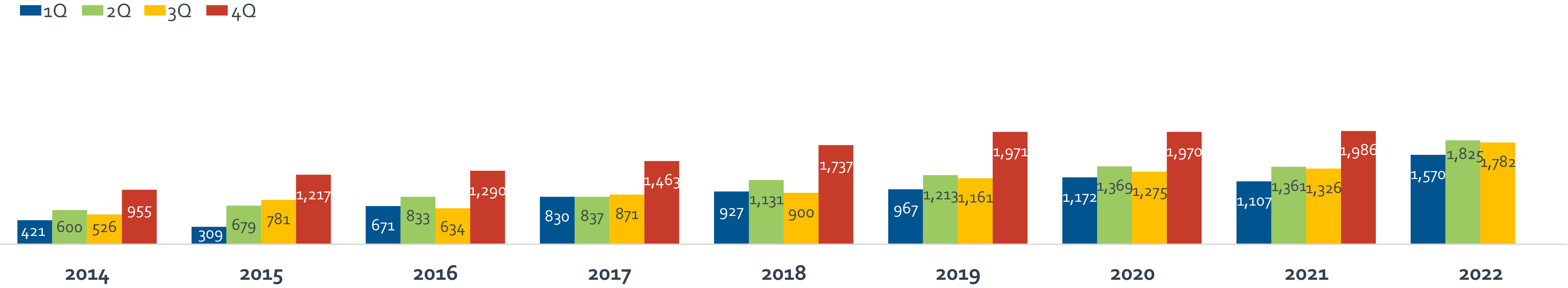


Non-recourse factoring and lending Volumes (€m)

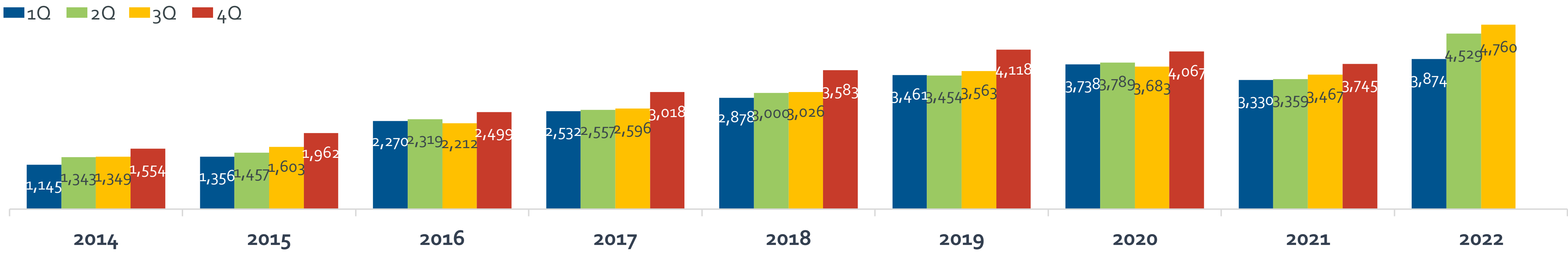


Factoring & Lending

Breakdown of Volumes by quarter (€m)

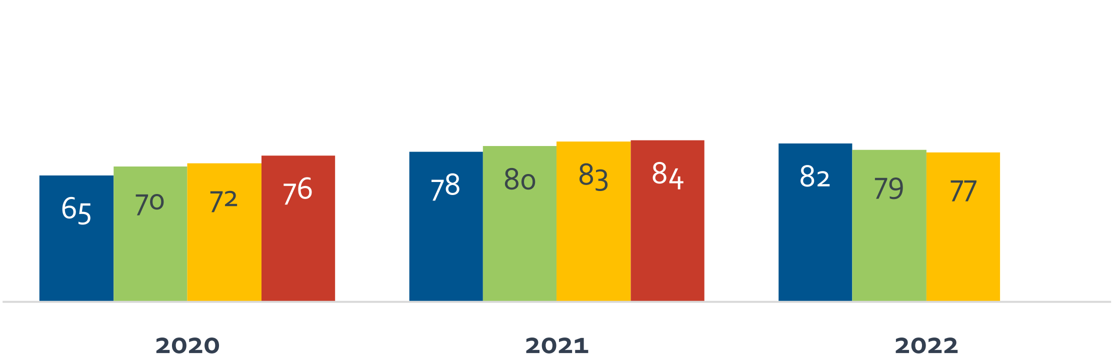


Customer Loans by quarter (€m)

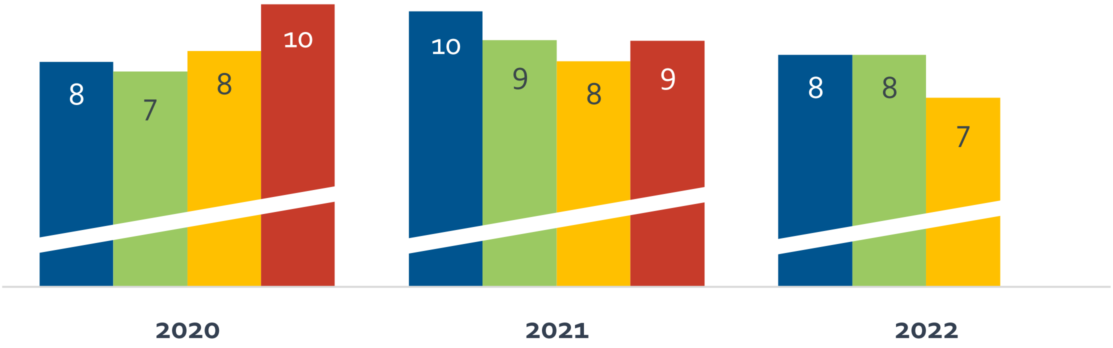


Securities Services & Payments

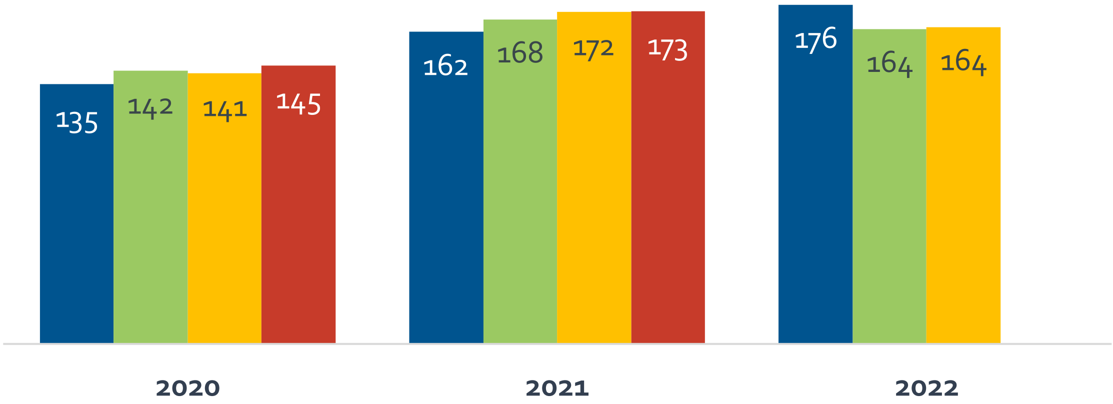
AuD end of quarter (€bn)



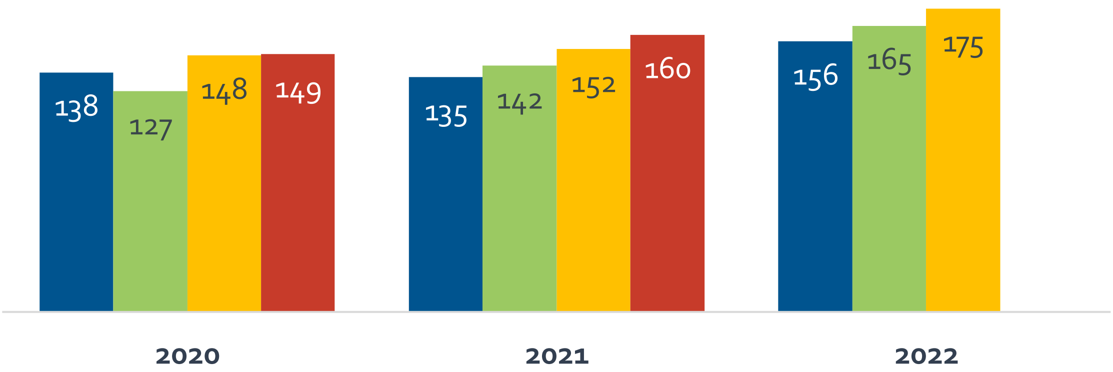
Deposits end of quarter (€bn)



AuC end of quarter (€bn)



Payment transactions by quarter (#m)



1Q 2Q 3Q 4Q

9M22 summary P&L

€m	F&L	SS	PAYM.	CC	ADJUSTED	Adjustments	REPORTED[3]
Interest Income	166.2	5.9	4.9	35.9	212.9	-	212.9
Interest Expenses[1]	(51.8)	(0.4)	0.6	6.0	(45.5)	-	(45.5)
Net Interest Income	**114.4**	**5.5**	**5.6**	**42.0**	**167.4**	**-**	**167.4**
Net Fee and Commission Income	2.3	35.6	31.3	(0.6)	68.6	-	68.6
Dividends	-	-	-	8.2	8.2	-	8.2
Gains/Losses on Trading	-	-	-	7.2	7.2	2.4	9.6
Fair value adjustments in hedge accounting[1]	-	-	-	-	-	-	-
Gains/losses on disposal/repurchase of	-	-	-	-	-	-	-
a) financial assets measured at amortized cost	-	-	-	-	-	-	-
b) financial assets measured at fair value through OCI	-	-	-	-	-	-	-
c) financial liabilities	-	-	-	-	-	-	-
Gains (losses) on other financial assets and liabilities measured at fair value through profit or loss	-	-	-	5.2	5.2	-	5.2
a) financial assets and liabilities designated at fair value	-	-	-	-	-	-	-
b) other financial assets mandatorily measured at fair value	-	-	-	*5.2*	*5.2*	-	*5.2*
Net Banking Income	**116.7**	**41.2**	**36.9**	**61.9**	**256.6**	**2.4**	**259.0**
Net adjustments/reversals of impairment for credit risk concerning:	(3.1)	-	-	(0.4)	(3.4)	-	(3.4)
a) financial assets measured at amortized cost	*(3.1)*	-	-	*(0.3)*	*(3.7)*	-	*(3.7)*
b) financial assets measured at fair value through OCI	*0.1*	-	-	*(0.1)*	*0.3*	-	*0.3*
Administrative and Personnel Expenses[2]	(28.6)	(18.9)	(23.4)	(43.5)	(114.5)	(11.1)	(125.7)
Net provisions for risks and charges[2]	0.0	(0.4)	0.1	(0.1)	(0.4)	-	(0.4)
a) commitments and guarantees provided	-	-	-	*0.2*	*0.2*	-	*0.2*
b) other net allocations	-	-	-	*(0.6)*	*(0.6)*	-	*(0.6)*
Net Adjustments to/ Writebacks on Property, Plan and Equipment and Intangible Assets	(1.1)	(0.1)	(0.2)	(5.1)	(6.5)	(2.1)	(8.6)
Other Operating Income (Expenses)	7.3	(0.0)	8.8	2.3	18.4	0.3	18.7
Profit Before Income Taxes from Continuing Operations	**91.3**	**21.7**	**22.2**	**15.1**	**150.2**	**(10.6)**	**139.6**
Income Taxes					**(44.8)**	**(1.8)**	**(46.6)**
Net Profit					**105.4**	(12.3)	**93.0**

(1) The item «Fair Value adjustments in hedge accounting» has been reclassified in «Interest Expenses», see also note (1) slide 10
(2) For representation purposes, 9M22 «Personnel Expenses » include €3.3m of costs related to deferred employees' benefits, accounted in 1Q22 and 1H22 in «Net provision for risks and LLP».
(3) Reported numbers differ from 9M22 Consolidated Financial Accounts in the 9M22 Press Release due to adjustments as per note (2).

9M21 summary P&L

€m	F&L	SS	PAYM.	CC	ADJUSTED	Adjustments	REPORTED[3]
Interest Income	134.2	8.3	5.4	12.1	159.9	(2.8)	157.1
Interest Expenses[1]	(36.8)	(1.8)	-	6.4	(32.1)	(1.0)	(33.1)
Net Interest Income	**97.4**	**6.6**	**5.4**	**18.5**	**127.9**	**(3.9)**	**124.0**
Net Fee and Commission Income	4.6	34.0	33.1	(1.2)	70.5	(13.5)	57.0
Dividends	-	-	-	3.7	3.7	-	3.7
Gains/Losses on Trading	-	-	-	8.1	8.1	(1.5)	6.7
Fair value adjustments in hedge accounting[1]	-	-	-	-	-	-	-
Gains/losses on disposal/repurchase of	-	-	-	-	-	(12.6)	(12.6)
a) financial assets measured at amortized cost	-	-	-	-	-	*(0.0)*	*(0.0)*
b) financial assets measured at fair value through OCI	-	-	-	-	-	-	-
c) financial liabilities	-	-	-	-	-	*(12.6)*	*(12.6)*
Gains (losses) on other financial assets and liabilities measured at fair value through profit or loss	-	-	-	2.8	2.8	-	2.8
a) financial assets and liabilities designated at fair value	-	-	-	-	-	-	-
b) other financial assets mandatorily measured at fair value	-	-	-	*2.8*	*2.8*	-	*2.8*
Net Banking Income	**102.0**	**40.6**	**38.5**	**31.9**	**212.9**	**(31.5)**	**181.4**
Net adjustments/reversals of impairment for credit risk concerning:	(0.4)	-	-	1.8	1.4	(1.0)	0.3
a) financial assets measured at amortized cost	*(0.6)*	-	-	*1.9*	*1.4*	*(1.0)*	*0.3*
b) financial assets measured at fair value through OCI	*0.2*	-	-	*(0.1)*	*0.0*	-	*0.0*
Administrative and Personnel Expenses[2]	(27.0)	(21.1)	(23.2)	(54.4)	(125.7)	2.2	(123.5)
Net provisions for risks and charges[2]	0.3	-	-	2.0	2.3	(0.2)	2.1
a) commitments and guarantees provided	*0.1*	-	-	*0.0*	*0.1*	*0.2*	*0.3*
b) other net allocations	*0.2*	-	-	*1.9*	*2.1*	*(0.4)*	*1.7*
Net Adjustments to/ Writebacks on Property, Plan and Equipment and Intangible Assets	(1.1)	(0.7)	(0.6)	(5.2)	(7.6)	(3.3)	(10.9)
Other Operating Income (Expenses)	4.0	0.5	8.3	7.8	20.5	160.8	181.3
Profit Before Income Taxes from Continuing Operations	**77.8**	**19.2**	**23.0**	**(16.1)**	**103.8**	**126.9**	**230.7**
Income Taxes					(24.5)	33.7	9.3
Net Income					**79.4**	**160.6**	**240.0**

(1) The item «Fair value adjustments in hedge accounting» has been reclassified in «Interest Expenses», see also note (1) slide 10
(2) For representation purposes, 9M21 «Personnel Expenses » include €0.9m of costs related to deferred employees' benefits, previously accounted in «Net provision for risks and LLP»
(3) Reported numbers differ from 9M21 Consolidated Financial Accounts in the 9M21 Press Release due to adjustments as per note (2)

9M20 summary P&L

€m	F&L	SS	PAYM.	CC	ADJUSTED	Adjustments	REPORTED[2]
Interest Income	156.6	10.6	1.3	40.8	209.2	(38.5)	170.7
Interest Expenses	(52.8)	(2.7)	0.0	8.2	(47.2)	10.7	(36.6)
Net Interest Income	**103.8**	**7.9**	**1.3**	**49.0**	**162.0**	**(27.8)**	**134.1**
Net Fee and Commission Income	3.2	31.1	29.6	(0.5)	63.3	(60.0)	3.4
Dividends	-	-	-	0.0	0.0	(0.0)	-
Gains/Losses on Trading	0.1	-	-	5.2	5.2	0.6	5.8
Fair value adjustments in hedge accounting	-	-	-	-	-	-	-
Gains/losses on disposal/repurchase of	-	-	-	0.7	0.7	(0.6)	0.1
a) financial assets measured at amortized cost	-	-	-	*0.6*	*0.6*	*(0.6)*	-
b) financial assets measured at fair value through OCI	-	-	-	*0.0*	*0.0*	-	*0.0*
c) financial liabilities	-	-	-	*0.1*	*0.1*	-	*0.1*
Gains (losses) on other financial assets and liabilities measured at fair value through profit or loss	-	-	-	-	-	-	-
a) financial assets and liabilities designated at fair value	-	-	-	-	-	-	-
b) other financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
Net Banking Income	**107.0**	**39.0**	**30.9**	**54.4**	**231.3**	**(87.9)**	**143.4**
Net adjustments/reversals of impairment for credit risk concerning:	(2.8)	-	-	0.1	(2.7)	(0.1)	(2.8)
a) financial assets measured at amortized cost	*(2.8)*	-	-	*0.1*	*(2.7)*	*(0.1)*	*(2.8)*
b) financial assets measured at fair value through OCI	-	-	-	*0.0*	*0.0*	-	*0.0*
Administrative and Personnel Expenses[1]	(26.1)	(21.5)	(21.6)	(61.8)	(131.0)	65.6	(65.5)
Net provisions for risks and charges[1]	(0.0)	(1.0)	(0.0)	0.3	(0.7)	1.2	0.5
a) commitments and guarantees provided	*(0.0)*	-	-	*(0.1)*	*(0.1)*	*(0.0)*	*(0.1)*
b) other net allocations	-	*(1.0)*	*(0.0)*	*0.4*	*(0.6)*	*1.2*	*0.6*
Net Adjustments to/ Writebacks on Property, Plan and Equipment and Intangible Assets	(0.3)	(1.1)	(0.9)	(6.2)	(8.5)	4.3	(4.2)
Other Operating Income (Expenses)	5.4	0.9	5.5	0.2	12.1	(7.3)	4.8
Profit Before Income Taxes from Continuing Operations	**83.1**	**16.3**	**13.9**	**(12.9)**	**100.4**	**(24.2)**	**76.2**
Income Taxes					(25.3)	4.9	(20.4)
Net Income					**75.1**	**(19.3)**	**55.8**

(1) For representation purposes, 9M20 «Personnel Expenses » include €1.1m of costs related to deferred employees' benefits, previously accounted in «Net provision for risks and LLP»
(2) Reported numbers differs from 9M20 Consolidated Financial Accounts in the 9M20 Press Release due to adjustments as per in note (1)

Summary reported consolidated Balance Sheet

BFF

€m	BFF stand-alone	BFF & DEPObank		
	9M20	9M21	FY 2021	9M22
Cash and cash balances	74.2	363.0	554.5	248.8
Financial assets measured at fair value through profit or loss	-	42.5	36.6	31.5
a) financial assets held for trading	-	*8.8*	*4.1*	*1.0*
b) financial assets designated at fair value	-	-	-	-
c) other financial assets mandatorily measured at fair value	-	*33.7*	*32.5*	*30.5*
Financial assets measured at fair value through OCI	30.2	83.5	83.5	127.3
Financial assets measured at amortized cost	5,500.0	10,092.6	10,069.5	11,998.3
a) loans and receivables due from banks	*37.6*	*815.8*	*404.1*	*618.6*
b) loans and receivables due from customers	*5,462.4*	*9,276.8*	*9,665.4*	*11,379.7*
Hedging derivatives	-	5.8	0.0	5.3
Equity investments	0.2	13.1	13.5	13.6
Property, plant and equipment	15.9	37.4	36.5	54.8
Intangible assets	34.9	134.2	67.5	66.1
Tax assets	27.7	113.5	100.5	69.5
Other assets	12.9	177.6	214.6	425.0
Total consolidated assets	**5,696.0**	**11,063.3**	**11,176.7**	**13,040.3**

Financial liabilities measured at amortized cost	5,095.0	9,695.7	10,010.4	11,928.2
a) deposits from banks	*742.8*	*773.5*	*795.1*	*765.8*
b) deposits from customers	*3,547.8*	*8,737.9*	*9,029.0*	*11,123.6*
c) securities issued	*804.3*	*184.2*	*186.3*	*38.8*
Financial Liabilities Held for Trading	-	0.7	2.7	2.1
Hedging derivatives	-	0.2	4.8	1.0
Tax liabilities	92.0	103.8	100.7	101.4
Other liabilities	75.2	454.5	460.9	362.5
Employees severance indemnities	0.7	3.7	3.7	3.2
Provisions for risks and charges	6.4	21.6	22.0	22.8
Equity	370.9	543.2	374.2	526.1
Net Profit	55.8	240.0	197.4	93.0
Total consolidated liabilities and equity	**5,696.0**	**11,063.3**	**11,176.7**	**13,040.3**

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