

BPER:

Gruppo

9M21 Consolidated Results

Piero Luigi Montani, CEO

5 November 2021

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The Manager responsible for preparing the Company’s financial reports, Marco Bonfatti, declares, in accordance with art. 154-bis, para. 2, of the “Consolidated Financial Services Act” (Legislative Order No. 58/1998), that the accounting information contained in this document corresponds to documentary records, ledgers and accounting entries.

Marco Bonfatti

Manager responsible for preparing the Company's financial reports

Important methodological note

Change in the scope of consolidation and Purchase Price Allocation

Change in the scope of consolidation

During the first 9M of 2021 BPER Banca completed the integration of the going concern consisting in 620 branches¹ acquired from the Intesa Sanpaolo Group (ISP). The transfer of these branches took effect for legal and accounting purposes on two different dates: 587 former UBI Banca branches were integrated on 22 February 2021 and 33 ISP branches were integrated on 21 June 2021. The assets and liabilities of these units have thereby been included in the scope of consolidation with pro-rata P&L contribution effective as of the same dates.

As a result, the accounting figures as at 30 September 2021 are not comparable with prior periods due to the change in the scope of consolidation.

Purchase Price Allocation (PPA)

9M21 results include the impact of the PPA carried out following the first accounting for the acquisition of the going concern, in accordance with IFRS 3 "Business Combinations". The difference between net equity and the purchase price attributable to the business unit acquired ("Badwill" or "Bargain Purchase") amounted to 966.9 €mIn. The allocation process through the measurement at fair value of the assets and liabilities acquired as at the initial recognition date, led to the following main PPA adjustments:

- -337.5 €mIn on non-performing loans (in lower NPL fair value than the carrying amount acquired);
- +234.1 €mIn on performing loans (in higher performing loan fair value than the carrying amount acquired);
- -37.1 €mIn on real estates properties (in book value writedowns on properties);
- -8.8 €mIn on provisions for Risk and Charges.

As a result of the PPA, a Bargain Purchase amount of 817.7 €mIn was booked in the 9M21 P&L.

¹. Including the Points of Operation of UBISS (a consortium company controlled by UBI Banca).

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Executive summary

CONTINUED GROWTH IN CORE BUSINESS PROFITABILITY, COMBINED WITH A SIGNIFICANT IMPROVEMENT IN CREDIT QUALITY AND A SOUND CAPITAL POSITION

Profitability

- 9M21 net profit of 586.2 €mln. Excluding one-offs¹, 9M21 pre tax profit increased to 417.1 €mln
- 3Q21 net profit of 84.4 €mln, after paying 80.0 €mln in banking system charges
- Annualised cost of risk settles at 70 bps (excluding additional LLPs) on the back of a particularly conservative approach to provisioning

Volumes

- Excellent retention of commercial relations with customers from the going concern acquired
- Strong increase in AUM and life insurance inflows in 3Q21
- Outstanding Moratoria on loan payments amount to 3.0 €bn (-7.2% Q/Q). State-guaranteed loans increased to 6.9 €bn (+6.3% Q/Q)

Asset Quality

- Gross and Net NPE ratio down further in 3Q21 to 5.5% and 2.6% respectively (5.7% and 2.8% in 2Q21)
- NPE coverage: 55.3% up vs. 51.8% in 2Q21
- NPE disposal target confirmed for a GBV of approx. 1 €bn by the end of 2021 (about 700 €mln already completed in 9M21)

Capital and liquidity

- Pro-forma² Fully Phased CET1 ratio at 13.7% with a large buffer vs. SREP requirement of 8.125%
- LCR >200% more than twice the 100% regulatory threshold. NSFR well above 100%

1. See slide 16.

2. The CET1 ratio Fully Phased pro-forma has been estimated excluding the effects of the transitional provisions in force and including the result for the period, thus simulating, in advance, the effects of the ECB's authorisation to include these profits in Own Funds pursuant to art. 26, para. 2 of the CRR.

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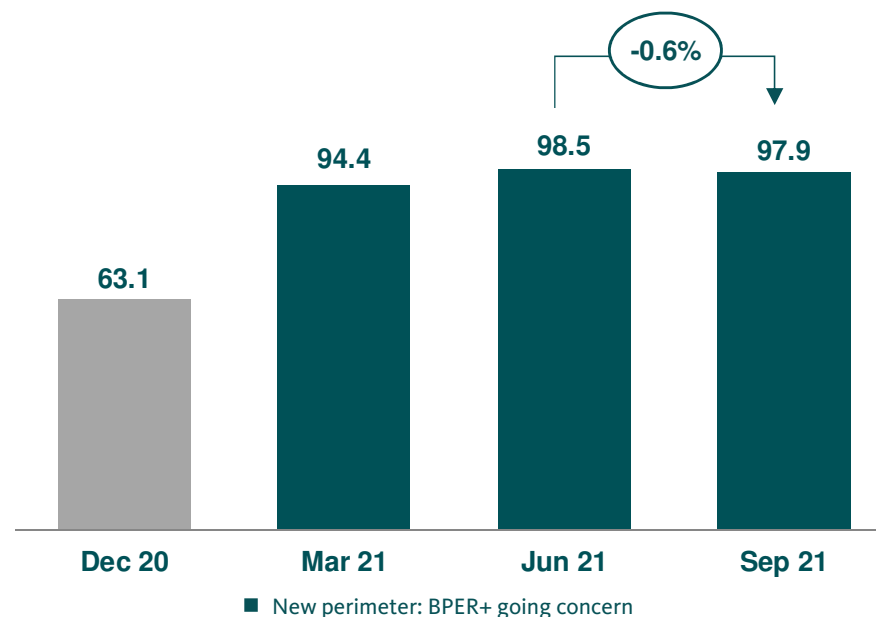
Direct funding

Direct funding at 97.9 €bn, of which 89.6 €bn in core deposits at marginal cost

Direct Funding breakdown (€mln)

| €/mln | Dec 20 | Jun 21 | Sep 21 | Chg. Q/Q (%) | Chg. YTD (%) |
|-------------------------------------|---------------|---------------|---------------|--------------|---------------|
| Customer Direct Deposits | 59,505 | 94,599 | 93,964 | -0.7% | +57.9% |
| <i>o/w C/A and sight deposits</i> | <i>55,116</i> | <i>90,103</i> | <i>89,553</i> | <i>-0.6%</i> | <i>+62.5%</i> |
| <i>o/w Bonds</i> | <i>820</i> | <i>636</i> | <i>628</i> | <i>-1.3%</i> | <i>-23.5%</i> |
| <i>o/w Other</i> | <i>3,569</i> | <i>3,859</i> | <i>3,783</i> | <i>-2.0%</i> | <i>+6.0%</i> |
| Institutional Direct funding | 3,635 | 3,899 | 3,954 | +1.4% | +8.8% |
| Total Direct Deposits | 63,141 | 98,498 | 97,918 | -0.6% | +55.1% |

Direct Funding, quarterly trend (€bn)



- Deposit reduction in 3Q21 (-0.6% Q/Q) was driven by commercial actions to reduce excess liquidity
- Institutional funding totals 4.0 €bn substantially in line with 2Q21

Note: figures on this page may not add exactly due to rounding differences

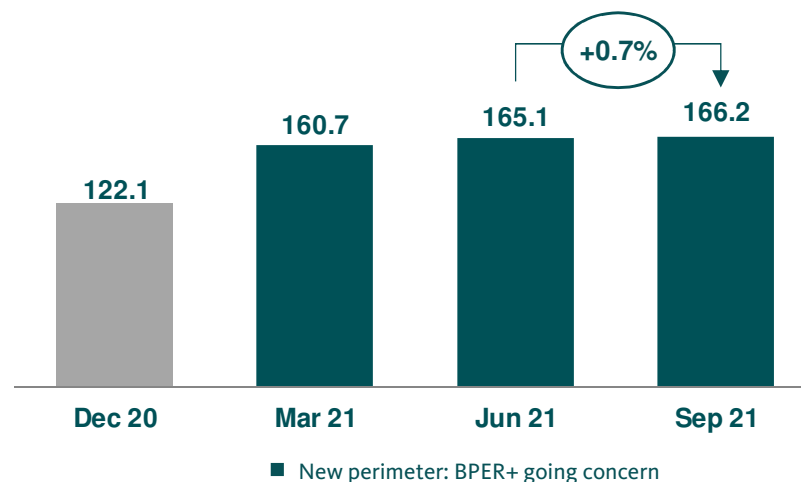
Indirect deposits

Total indirect deposits increased to 166.2 €bn thanks to effective commercial activity

Indirect Deposits (€mln)

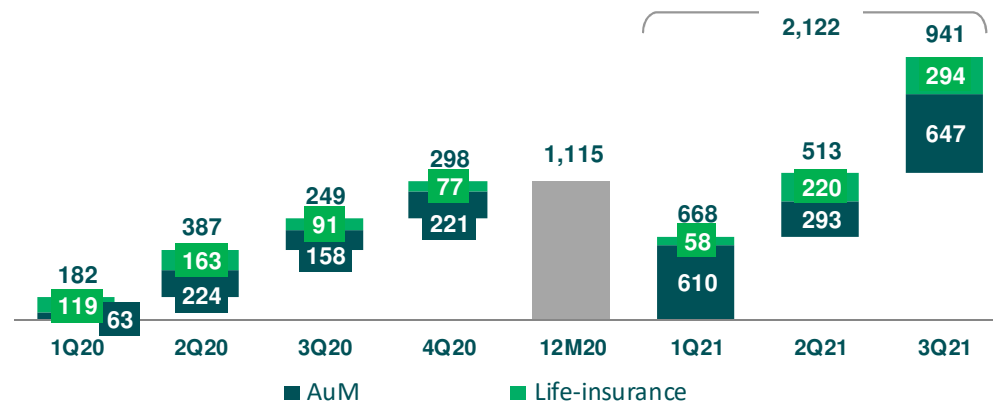
| €/mln | Dec 20 | Jun 21 | Sep 21 | Chg. Q/Q (%) | Chg. YTD (%) |
|--------------------------------|----------------|----------------|----------------|--------------|---------------|
| Assets under custody | 72,057 | 82,995 | 83,031 | +0.0% | +15.2% |
| Assets under management | 25,274 | 44,944 | 45,502 | +1.2% | +80.0% |
| Life Insurance | 7,301 | 18,893 | 19,200 | +1.6% | +163.0% |
| AUM - Arca Holding | 17,445 | 18,247 | 18,435 | +1.0% | +5.7% |
| Total indirect deposits | 122,077 | 165,079 | 166,167 | +0.7% | +36.1% |

Indirect Deposits quarterly trend (€bn)



- Increase in indirect deposits mainly concentrated in AUM and bancassurance
- Volumes continued to growth in 3Q21 (+0.7% Q/Q) underpinned by AUM and life insurance inflows rising to 941 €mln, almost doubling the 2Q21 level (513 €mln), despite the usual seasonality of the quarter

Net inflows¹ of AuM and Life Insurance products (€mln)



1. Figures from data management system. AUM include ARCA captive inflows on BPER network
 Note: figures on this page may not add exactly due to rounding differences

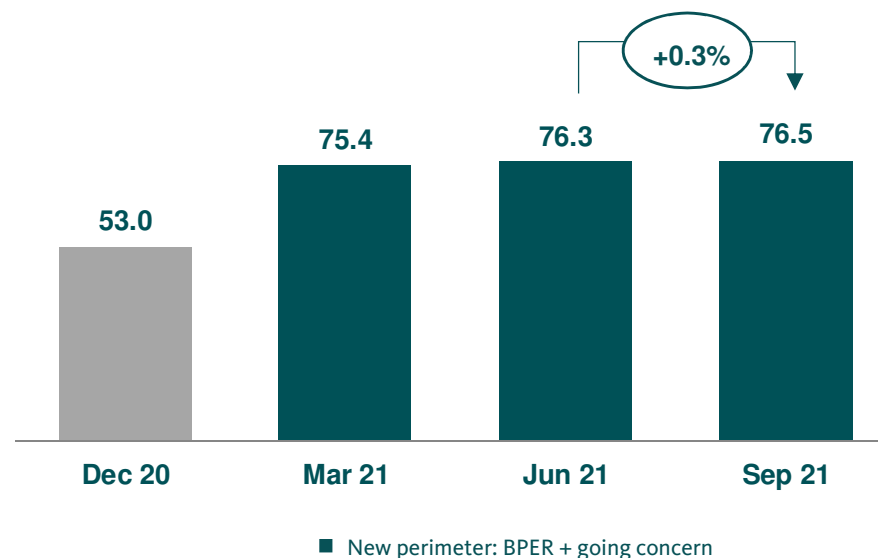
Customer loans

Net customer loans at 76.5 €bn

Net customer loans breakdown (€mln)

| €/mln | Dec 20 | Jun 21 | Sep 21 | Chg. Q/Q (%) | Chg. YTD (%) |
|---------------------------|---------------|---------------|---------------|--------------|---------------|
| Current Accounts | 3,669 | 4,766 | 4,935 | +3.6% | +34.5% |
| Mortgage loans | 35,355 | 53,356 | 53,189 | -0.3% | +50.4% |
| Other | 13,982 | 18,168 | 18,358 | +1.0% | +31.3% |
| Net customer loans | 53,006 | 76,290 | 76,483 | +0.3% | +44.3% |
| <i>o/w Performing</i> | <i>50,876</i> | <i>74,138</i> | <i>74,525</i> | <i>+0.5%</i> | <i>+46.5%</i> |
| <i>o/w Non-Performing</i> | <i>2,130</i> | <i>2,153</i> | <i>1,958</i> | <i>-9.1%</i> | <i>-8.1%</i> |

Net customer loans, quarterly trend (€bn)



- Performing loans up 0.5% Q/Q also underpinned by State guaranteed loans
- Loan demand, still weighed down by excess liquidity gathered by corporate clients in the previous months, is expected to accelerate starting from 4Q21

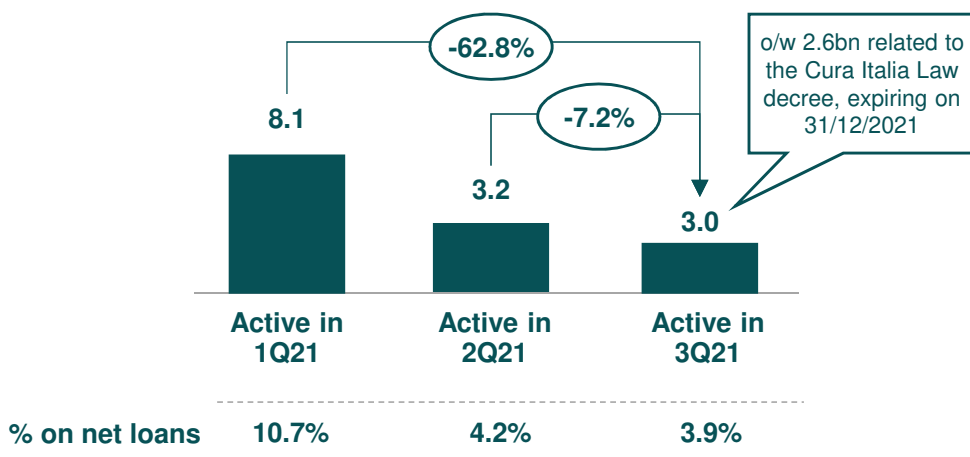
Note:

- Customer loans excluding debt securities. See relevant table in the Annexes.
- Figures on this page may not add exactly due to rounding differences.

Loan payment moratoria and State guaranteed loans

Loan payment moratoria declined further in 3Q21 (-7.2% Q/Q), while State guaranteed loans were up 6.3% Q/Q

Loan payment Moratoria (€bn)



State guaranteed loans (€bn)



- Active loan payment moratoria amount to 3.0 €bn, down 7.2% vs. 2Q 21 and 62.8% vs. 1Q 21, confirming the ongoing improvement of the economic environment.
- 76% of active moratoria are classified in the low risk range of internal credit ratings
- Very low default rate on expired moratoria (around 1.3%)

¹ Breakdown by loan size: 60% >€30k, 32% <€30k, 8% SACE (large corporate exposures)

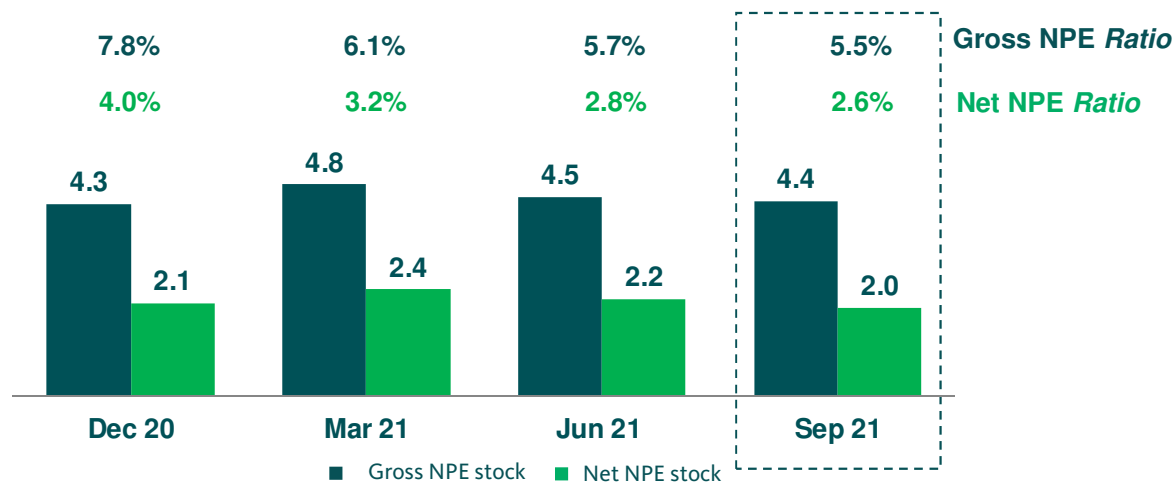
Asset Quality (1/3)

Asset quality keeps improving with steady reduction in NPE ratios and further strengthening of coverage levels

Loan book breakdown: stock and coverage (€mln; %)

| | Dec 20 | Mar 21 | Jun 21 | Sept 21 |
|-------------------------|--------|--------|--------|---------|
| Bad Loans | | | | |
| Gross | 2,076 | 2,368 | 2,341 | 2,350 |
| Net | 727 | 998 | 916 | 870 |
| Coverage | 65.0% | 57.8% | 60.9% | 63.0% |
| UTPs | | | | |
| Gross | 2,125 | 2,280 | 1,994 | 1,873 |
| Net | 1,294 | 1,317 | 1,135 | 966 |
| Coverage | 39.1% | 42.2% | 43.1% | 48.4% |
| Past Due | | | | |
| Gross | 141 | 130 | 135 | 160 |
| Net | 110 | 96 | 101 | 122 |
| Coverage | 22.4% | 26.1% | 24.9% | 23.9% |
| Total NPE | | | | |
| Gross | 4,343 | 4,778 | 4,470 | 4,383 |
| Net | 2,130 | 2,412 | 2,153 | 1,958 |
| Coverage | 51.0% | 49.5% | 51.8% | 55.3% |
| Performing loans | | | | |
| Gross | 51,048 | 73,339 | 74,583 | 74,966 |
| Net | 50,876 | 72,956 | 74,138 | 74,525 |
| Coverage | 0.3% | 0.5% | 0.6% | 0.6% |

NPE stock and NPE ratios over time (€bn; %)



- Gross NPE ratio of 5.5% (2.6% net) significantly reduced during 9M21, as result of the going concern contribution and effective derisking strategy
- NPE coverage ratio up Q/Q to 55.3% (+350bps). In particular: Bad Loans at 63.0% (+210bps) and UTPs at 48.4% (+539bps)
- Performing loan coverage up to 0.6% vs. 0.5% in 1Q21 and 0.3% at end-2020
- NPE disposal target of 1 €bn GBV by 2021 confirmed, of which 0.7 €bn already finalised in 9M21

Note: customer loans excluding customer debt securities. See relevant table in the Annexes.

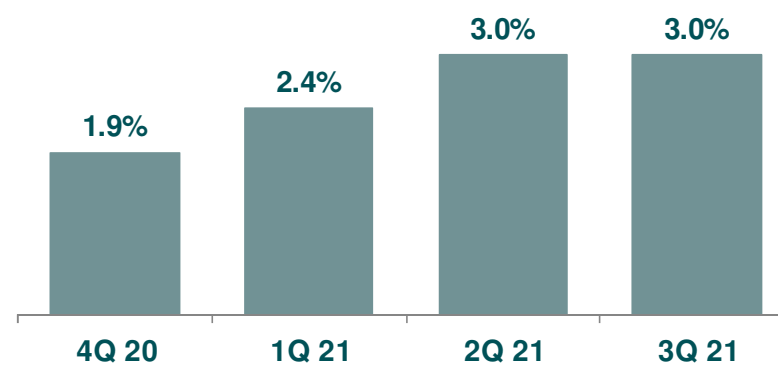
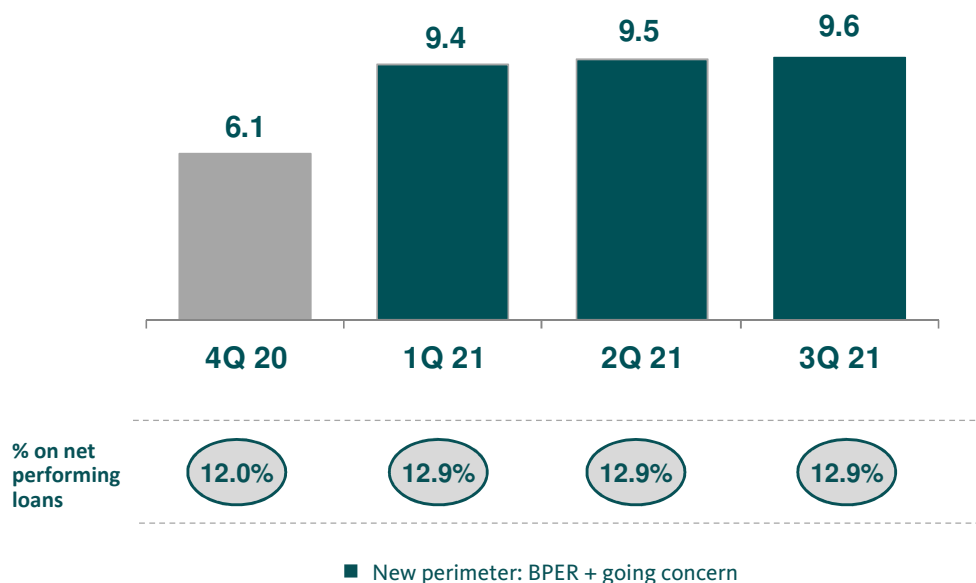
Note: figures on this page may not add exactly due to rounding differences.

Asset Quality (2/3)

Stage 2 net loans stock of 9.6 €bn (stable at 12.9% of Group's performing loans) with coverage at 3.0%

Stock of stage 2 net loans, quarterly trend (€bn)

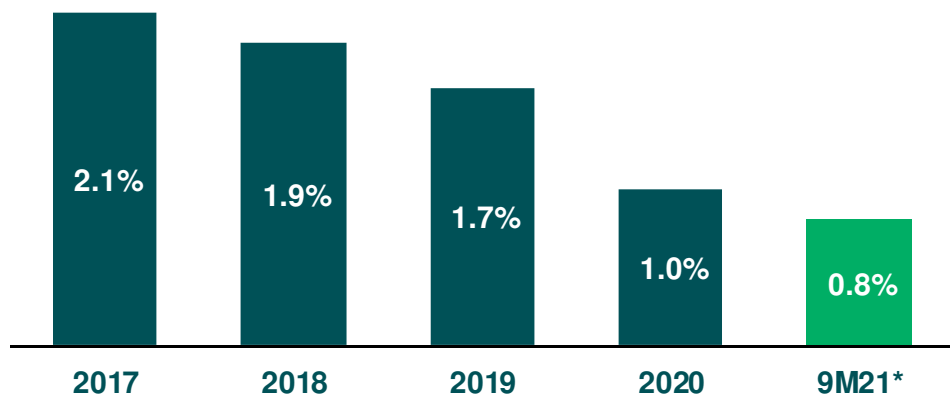
Coverage of stage 2 net loans, quarterly trend (%)



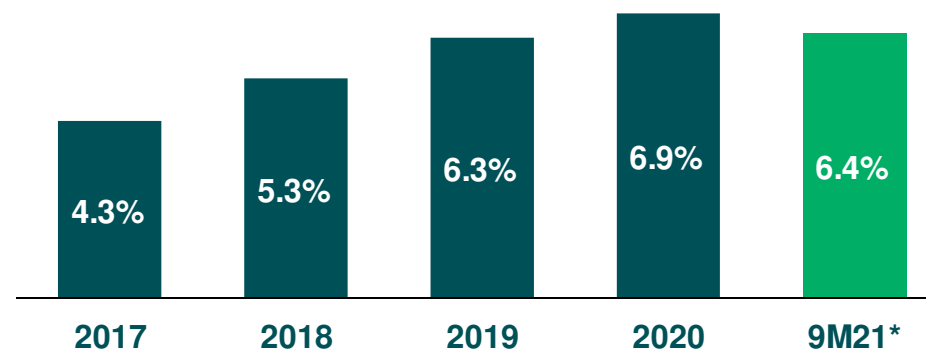
Asset quality (3/3)

Default rate at 0.8% from 1.0% in Dec.'20. Bad loan recovery rate continues its positive trend

Default rate (%)



Average Bad loan recovery rate¹ (%)
(Bper Credit Management)



1. Source: management data.
Note: All ratios are calculated on gross exposures.
* Annualised

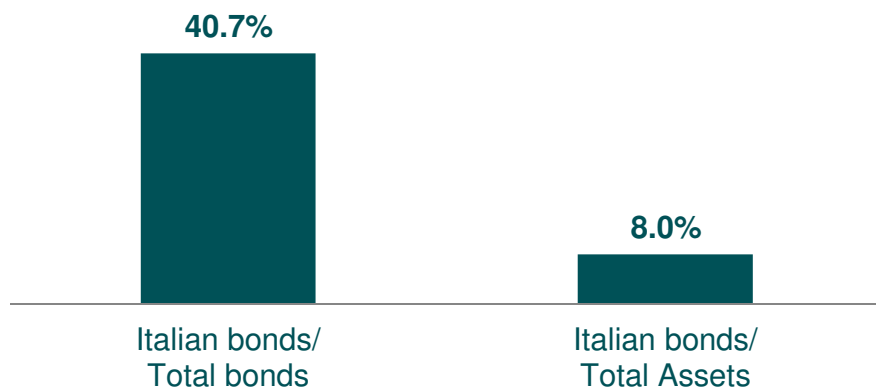
Financial assets portfolio

Financial assets portfolio of 27.4 €bn up by 2.8 €bn YTD

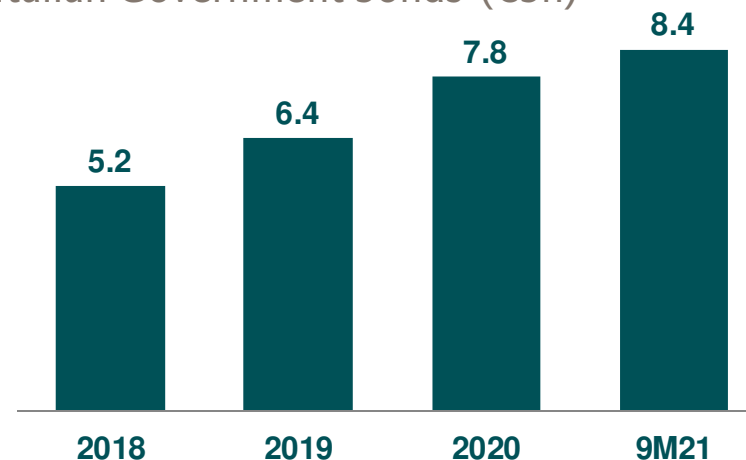
Financial Assets breakdown (€mln)

| €/mn | FVTPL | FVOCI | AC | Total | % on total |
|-------------------------------------|--------------|--------------|---------------|---------------|---------------|
| Bonds | 315 | 6,122 | 19,962 | 26,399 | 96.2% |
| <i>o.w. Italian gov¹</i> | 123 | 352 | 7,947 | 8,423 | 30.7% |
| Equity | 100 | 252 | | 352 | 1.3% |
| Funds and Sicav | 535 | | | 535 | 1.9% |
| Other* | 155 | | | 155 | 0.6% |
| Total as at 30.09.2021 | 1,104 | 6,375 | 19,962 | 27,441 | 100.0% |
| Total as at 31.12.2020 | 1,172 | 6,270 | 17,220 | 24,662 | |
| Chg vs Dec.'20 (%) | -5.8% | +1.7% | +15.9% | +11.3% | |

Share of Italian bonds¹ (%)



Italian Government bonds¹ (€bn)



- Italian government bonds at 8.4 €bn (vs. 7.8 €bn in Dec.'20)
- Italian Bond portfolio accounts for:
 - 40.7% of Total Bond portfolio
 - 8.0% of Total Assets
- Total bonds and Italian government bond portfolios duration² of 2.4 ys and 3.0 ys respectively

1. Source: management data.

2. Duration in years taking hedging into account.

Note: figures on this page may not add exactly due to rounding differences.

* Mainly derivatives.

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Profit & Loss

Profit and Loss

- 9M21 results of 586.2 €mln affected by non-recurring items
- Excluding one-offs, profit before tax totals 417.1 €mln

| (€/mln) | Quarterly trend | | | Annual trend | | |
|--|-----------------|---------------|---------------|-----------------|-----------------|----|
| | 1Q21 | 2Q21 | 3Q21 | 9M20 | 9M21 | |
| Net interest income | 343.5 | 384.8 | 391.1 | 926.9 | 1,119.4 | |
| Net commission income | 328.1 | 405.8 | 438.5 | 791.6 | 1,172.4 | |
| Core Income | 671.6 | 790.6 | 829.5 | 1,718.6 | 2,291.8 | |
| Dividends | 1.7 | 12.3 | 0.7 | 17.4 | 14.6 | |
| Net income from financial activities | 76.2 | 43.5 | 52.9 | 95.6 | 172.6 | 1 |
| Other operating expenses/income | 8.1 | -5.6 | 9.2 | 32.0 | 11.7 | 2 |
| Operating Income | 757.7 | 840.7 | 892.4 | 1,863.5 | 2,490.8 | |
| Staff costs | -302.1 | -355.1 | -313.8 | -721.3 | -971.0 | 3 |
| Other administrative expenses | -189.9 | -157.4 | -151.1 | -351.6 | -498.4 | 4 |
| Depreciations & Amortizations | -54.5 | -52.5 | -52.8 | -122.1 | -159.8 | 5 |
| Operating costs | -546.5 | -565.0 | -517.8 | -1,195.0 | -1,629.2 | |
| Net Operating Income | 211.2 | 275.8 | 374.6 | 668.5 | 861.6 | |
| Net impairment losses for credit risk | -418.8 | -157.6 | -138.8 | -406.3 | -715.2 | 6 |
| Operating Income net of LLPs | -207.6 | 118.2 | 235.8 | 262.2 | 146.4 | |
| Net provisions for risks and charges | -40.9 | -9.6 | -4.5 | -30.0 | -55.0 | 7 |
| Contribution to Funds (SRF, DGS, FITD-SV) | -31.1 | -15.1 | -80.0 | -64.7 | -126.1 | 8 |
| Gain (Losses) on Investments | -250.7 | -2.6 | -2.6 | -10.0 | -255.9 | 9 |
| Gain on a bargain purchase | 1,077.9 | 72.1 | -22.1 | 0 | 1,127.8 | 10 |
| Profit (loss) before taxes | 547.6 | 162.9 | 126.6 | 157.5 | 837.1 | |
| Taxes | -140.8 | -50.9 | -34.3 | 61.0 | -226.0 | |
| Profit (Loss) for the period | 406.8 | 112.0 | 92.3 | 218.5 | 611.1 | |
| Minority Interests | -6.5 | -10.5 | -7.8 | -19.4 | -24.9 | |
| Profit (loss) for the period pertaining to the parent company | 400.3 | 101.5 | 84.4 | 199.1 | 586.2 | |

Comments:

- 1 +21.2 €mln mainly from securities disposals
- 2 -13.0 €mln in other operating expenses
- 3 -18.0 €mln from the going concern integration process
- 4 -75.8 €mln from the going concern integration process
- 5 -8.9 €mln mainly related to RE amortisation costs due to the change in the measurement method
- 6 -310.0 €mln additional LLPs
- 7 -30.5 €mln mainly related to CARIFE's profit sharing
- 8 -11.3 €mln Additional SRF contribution
- 9 -230.4 €mln due to goodwill impairment and -31.1 €mln mainly due to change in the RE assets measurement method
- 10 +1,127.8 €mln of which: +817.7 €mln badwill and +310.2 €mln from recovery of badwill taxation¹

9M21 Profit before tax of 417.1 €mln excluding one-off items

1. As per contractual provisions with Intesa Sanpaolo. The item has a neutral impact on the net result as it was offset by -€310.2 mln recognised as Taxes

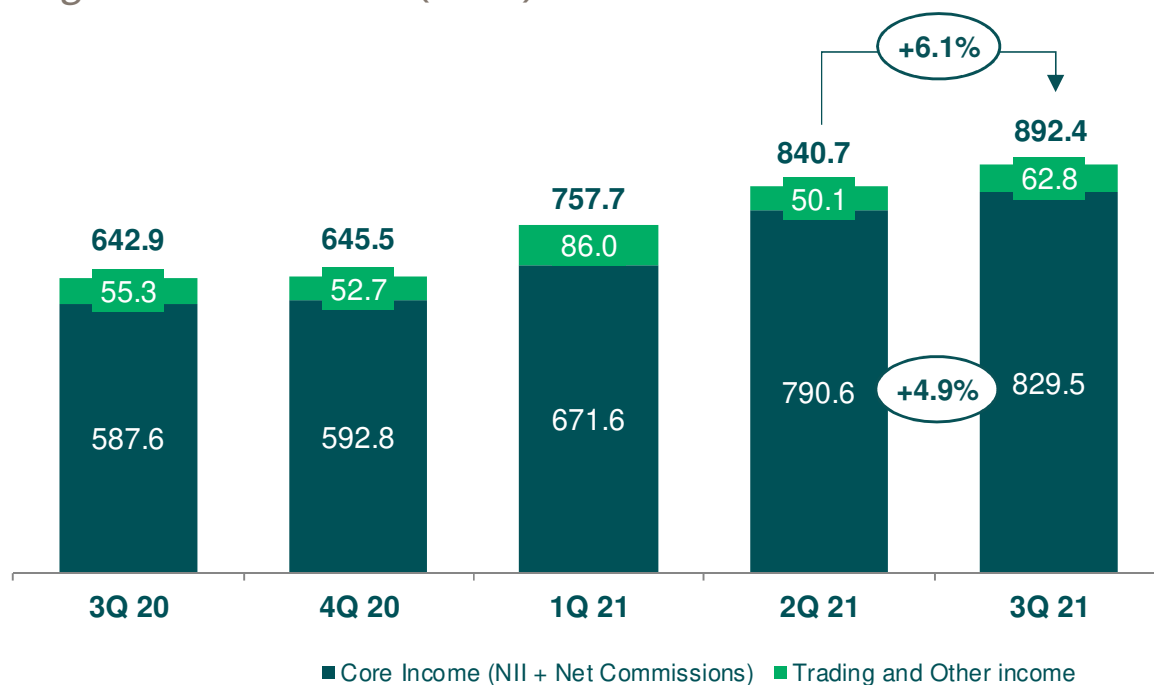
Note:

- For a more consistent representation of the Group's Accounting Policies, 9M20 figures have been restated to take into account the reclassification of 16.8 €mln from "Net Interest Income" to "Net commission income"
- Figures on this page may not add exactly due to rounding differences.
- 9M20 figures in this slide and the following section have been restated to factor in the effects of the retrospective application of the change in the accounting method used to measure property, plant and equipment held for investment.

Operating Income

Operating income reached 2,490.8 €mln in 9M21 driven by core income growth

Operating Income over time (€mln)



- Operating income totalled 892.4 €mln in 3Q 21 (+6.1% Q/Q), with 829.5 €mln accounted for by core income (NII + Net Commissions) which was up 4.9% Q/Q, benefitting from both strong commercial performance and the quarterly full-scale contribution of the going concern acquired
- Net Commissions share of core income rose to 53% in 3Q21 from 45% in 3Q20

Net Interest Income

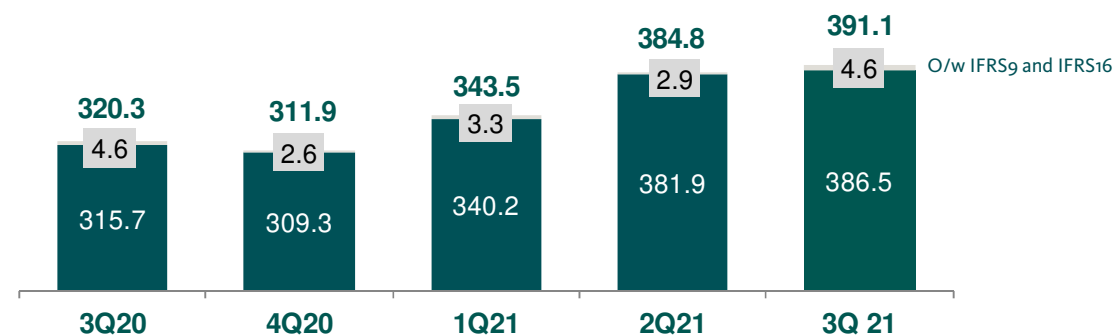
Profit and Loss

9M21 NII at 1,119.4 €mln of which 980.7 €mln from commercial activity with customers

Net Interest Income¹ breakdown (€mln)

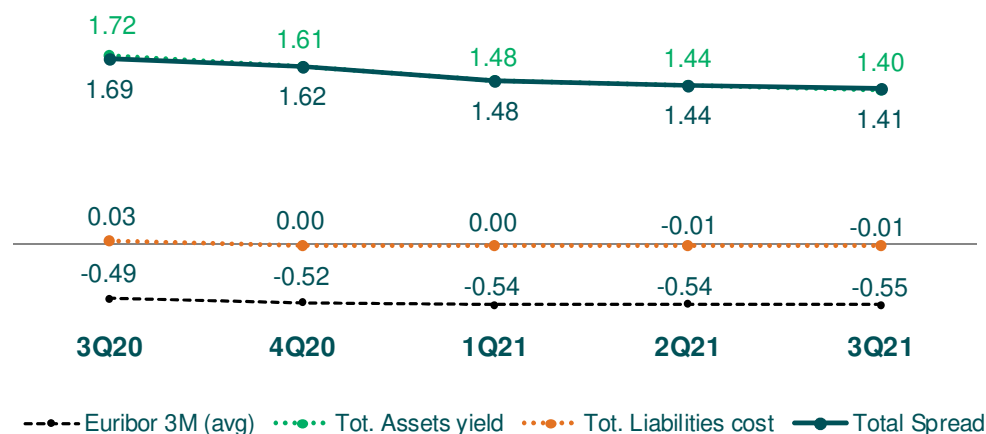
| €/mln | 9M21 | o/w 1Q21 | o/w 2Q21 | o/w 3Q21 | Chg. Q/Q % |
|-----------------------------|----------------|--------------|--------------|--------------|---------------|
| Commercial NII | 980.7 | 291.7 | 340.5 | 348.5 | 2.4% |
| Securities portfolio | 80.7 | 29.0 | 26.6 | 25.1 | -5.6% |
| TLTRO-III ² | 80.9 | 31.8 | 25.0 | 24.1 | -3.3% |
| Other Institutional funding | -33.7 | -12.2 | -10.1 | -11.3 | 11.2% |
| Ordinary NII | 1,108.6 | 340.2 | 381.9 | 386.5 | 1.2% |
| IFRS 9 and IFRS 16 | 10.8 | 3.3 | 2.9 | 4.6 | 58.3% |
| Total NII | 1,119.4 | 343.5 | 384.8 | 391.1 | 1.6% |

Net Interest Income quarterly trend¹ (€mln)



- NII in 3Q21 up to 391.1 €mln (+1.6% Q/Q), also benefitting from the contribution of the ISP branches integrated at the end of June '21
- TLTRO-III contribution (including the impact of excess liquidity held at the ECB's deposit facility) in 3Q21 totalled 24.1 €mln and is expected to pick up in the next quarters
- Margin pressure (mainly due to excess liquidity) expected to be offset by a step-up in lending volumes starting from 4Q21, driven by the ongoing economic recovery

Spread³ (%)



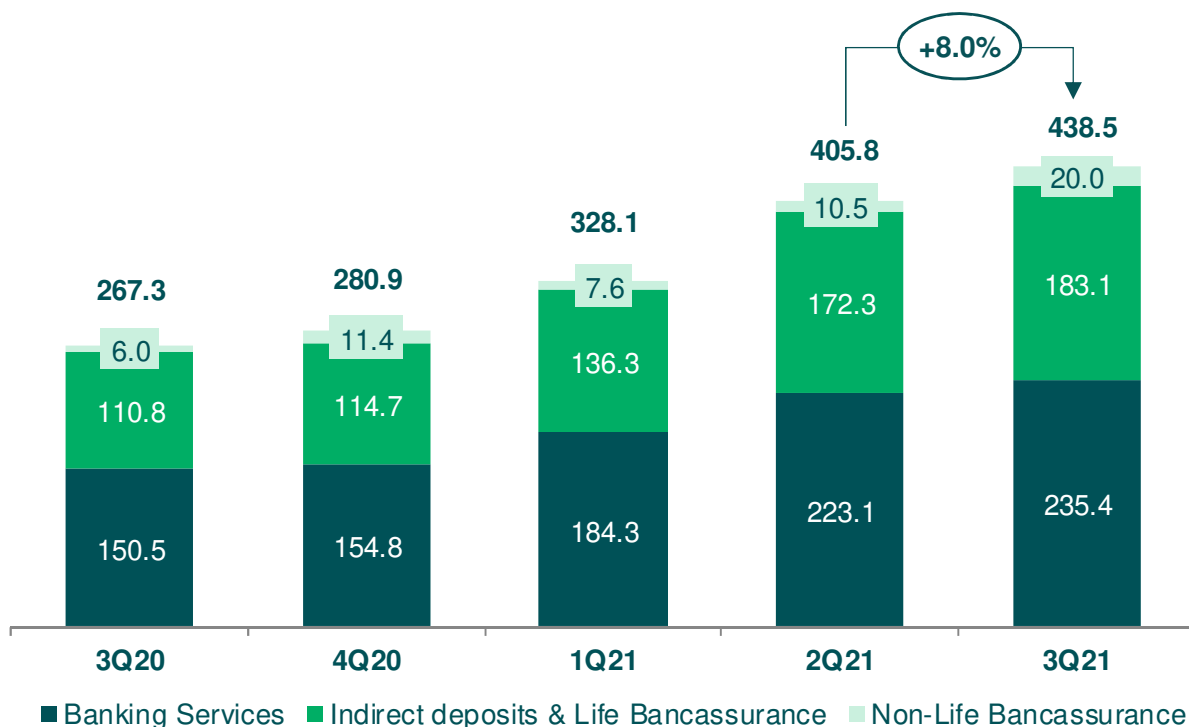
1. For a more consistent representation of the Group's Accounting Policies, 2020 quarterly figures were restated to take into account reclassifications made between NII and Net commission income. In particular NII was adjusted as follows: -5.2 €mln in 3Q20, +16.8mln in 4Q20
 2. Net of interest expenses related to excess liquidity held at the ECB's deposit facility
 3. Management data. Spread calculated by taking into account funding and deposits available at ECB

Note: figures on this page may not add exactly due to rounding differences.

Net commission income

9M21 Net commission income reached 1,172.4 €mln, driven by growth in indirect deposits and bancassurance in addition to the going concern contribution

Net Commission Income over time¹ (€mln)



- 3Q21 net commissions up to 438.5 €mln (+8.0% Q/Q), mainly benefitting from increasing AUM and bancassurance net inflows, despite usual seasonality of the quarter
- The uptrend in traditional banking fees continued in 3Q21 (+5.5% Q/Q), driven by the ongoing rebound in the Italian economy

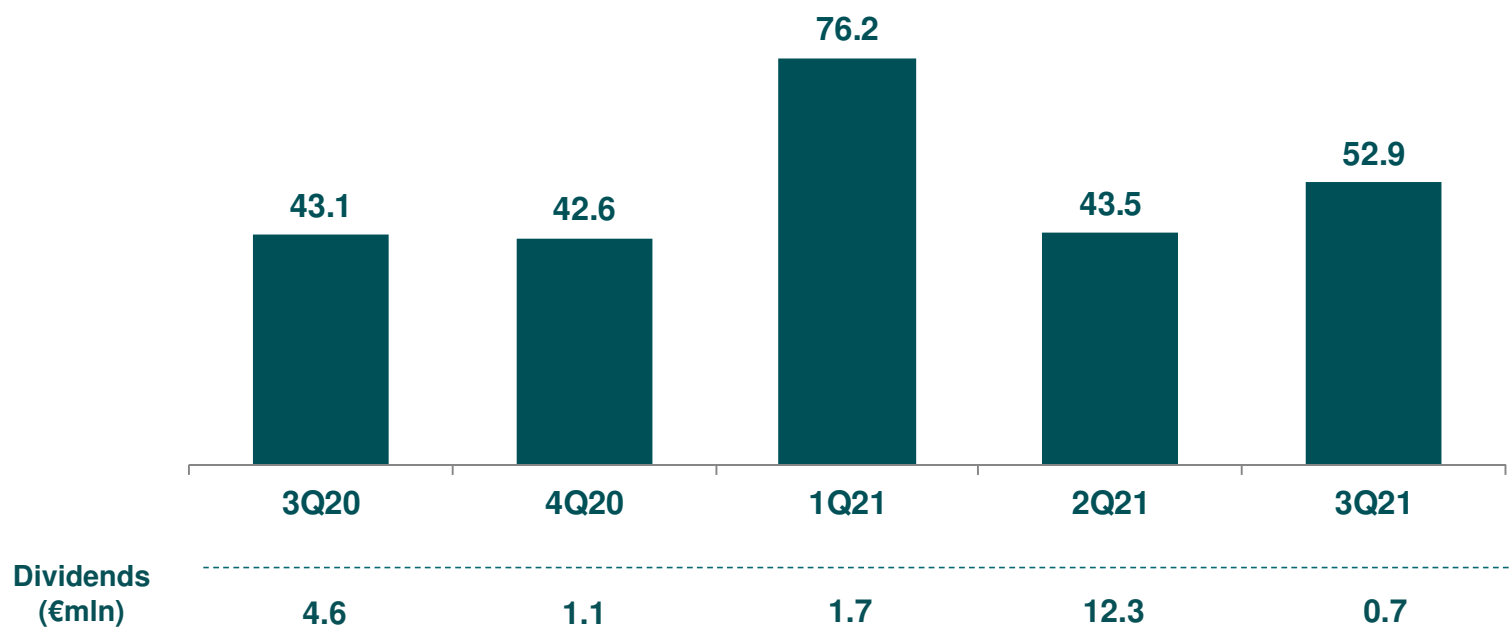
1. For a more consistent representation of the Group's Accounting Policies, 2020 quarterly figures were restated to take into account reclassifications made between NII and Net commission income. In particular Net commission income was adjusted as follows: +5.2 €mln in 3Q20, -16.8 €mln in 4Q20
 Note: The breakdown between life and non-life bancassurance is based on operational data

Note: figures on this page may not add exactly due to rounding differences.

Trading income and Dividends

Trading income increased to 172.6 €mIn in 9M21, as it benefitted from positive market performance and capital gains on securities disposals

Trading income over time (€mIn)



Operating costs

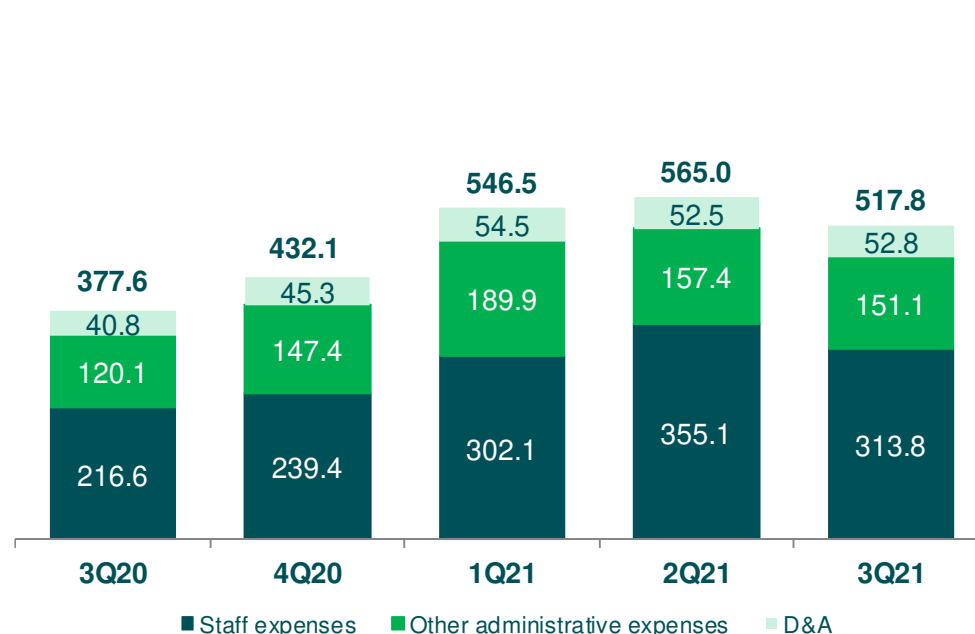
Profit and Loss

9M21 operating costs totalled 1.6 €bn, impacted by 102.7 €mln in one-off charges mainly associated with the going concern integration process

Operating costs breakdown (€mln)

| | 9M21 | o/w 1Q21 | o/w 2Q21 | o/w 3Q21 | Chg. Q/Q % |
|----------------------------------|----------------|--------------|--------------|--------------|---------------|
| Staff expenses | 971.0 | 302.1 | 355.1 | 313.8 | -11.6% |
| o/w Extraordinary | 18.0 | 7.6 | 8.8 | 1.5 | -82.7% |
| o/w Ordinary | 953.0 | 294.5 | 346.2 | 312.3 | -9.8% |
| Other administr. expenses | 498.4 | 189.9 | 157.4 | 151.1 | -4.0% |
| o/w Extraordinary | 75.8 | 62.6 | 7.9 | 5.3 | -32.9% |
| o/w Ordinary | 422.6 | 127.3 | 149.5 | 145.8 | -2.5% |
| D&A | 159.8 | 54.5 | 52.5 | 52.8 | +0.6% |
| o/w Extraordinary | 8.9 | 8.9 | 0.0 | 0.0 | n.s. |
| o/w Ordinary | 150.9 | 45.6 | 52.5 | 52.8 | +0.6% |
| Total Operating Costs | 1,629.2 | 546.5 | 565.0 | 517.8 | -8.4% |
| o/w extraordinary | 102.7 | 79.1 | 16.7 | 6.8 | -59.2% |
| o/w ordinary | 1,526.5 | 467.3 | 548.2 | 511.0 | -6.8% |

Operating costs over time¹ (€mln)



- 3Q21 operating costs amounted to 517.8 €mln down 8.4% Q/Q, following the reduction in staff expenses (-11.6% Q/Q) which benefitted from the usual seasonality of the quarter
- Work force optimisation process launched in 3Q21. Due for completion by 2024, it envisages the exit of approximately 1,700 employees and a hiring plan

1. The 2020 quarterly data on Operating Costs were restated following the adoption of a different accounting methodology for the evaluation of real estate assets, which had an impact on the item "D&A".

Note: figures on this page may not add exactly due to rounding differences.

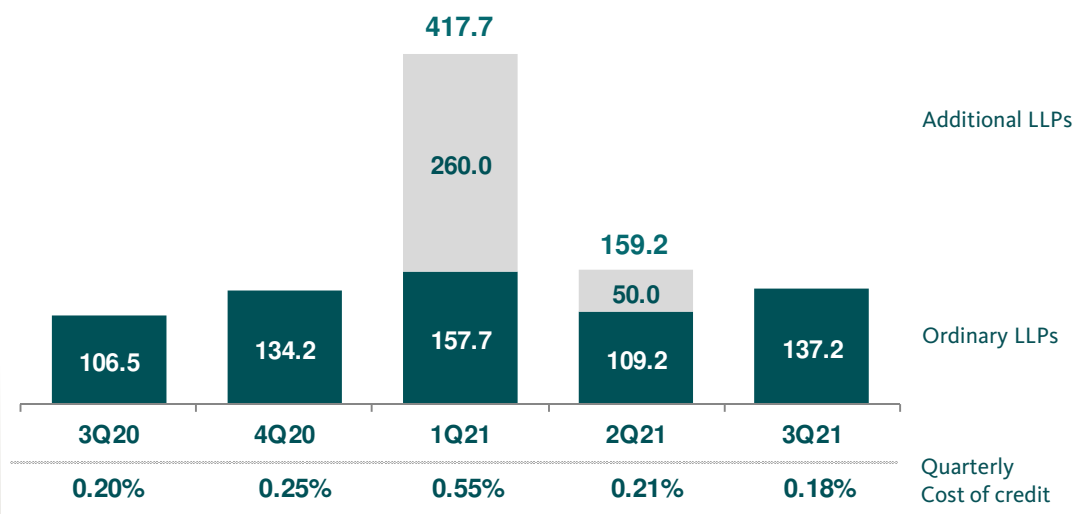
Provisions and other items

The 9M21 annualised cost of risk (excluding additional LLPs) is 70 bps and reflects a very conservative approach to provisioning

Provisions and other items (€mln)

| | 9M21 | <i>o/w</i> 1Q21 | <i>o/w</i> 2Q21 | <i>o/w</i> 3Q21 | <i>Chg. Q/Q</i> % |
|---|----------|--------------------|--------------------|--------------------|----------------------|
| Total Provisions | 715.2 | 418.8 | 157.6 | 138.8 | -11.9% |
| <i>o/w LLPs**</i> | 714.1 | 417.7 | 159.2 | 137.2 | -13.9% |
| Net Provisions for Risks and Charges | 55.0 | 40.9 | 9.6 | 4.5 | -52.8% |
| Contributions to SRF, DGS e FITD-SV | 126.1 | 31.1 | 15.1 | 80.0 | +429.3% |
| Gain (Losses) on equity investments, disposal investments | 255.9 | 250.7 | 2.6 | 2.6 | +0.1% |
| Badwill | -1,127.8 | -1,077.9 | -72.1 | 22.1 | -130.6% |

LLPs (€mln) and Cost of credit* (%) over time



- LLPs at 715.2 €mln, including 310 €mln additional provisions driven by the adoption of a very conservative approach, despite no evidence of a significant deterioration in the asset quality
- In 3Q21 Italian banking system charges related to the DGS annual contribution, totalled 80.0 €mln, on an uptrend since 3Q20, due to the expanded deposit base following the going concern acquisition

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Capital adequacy

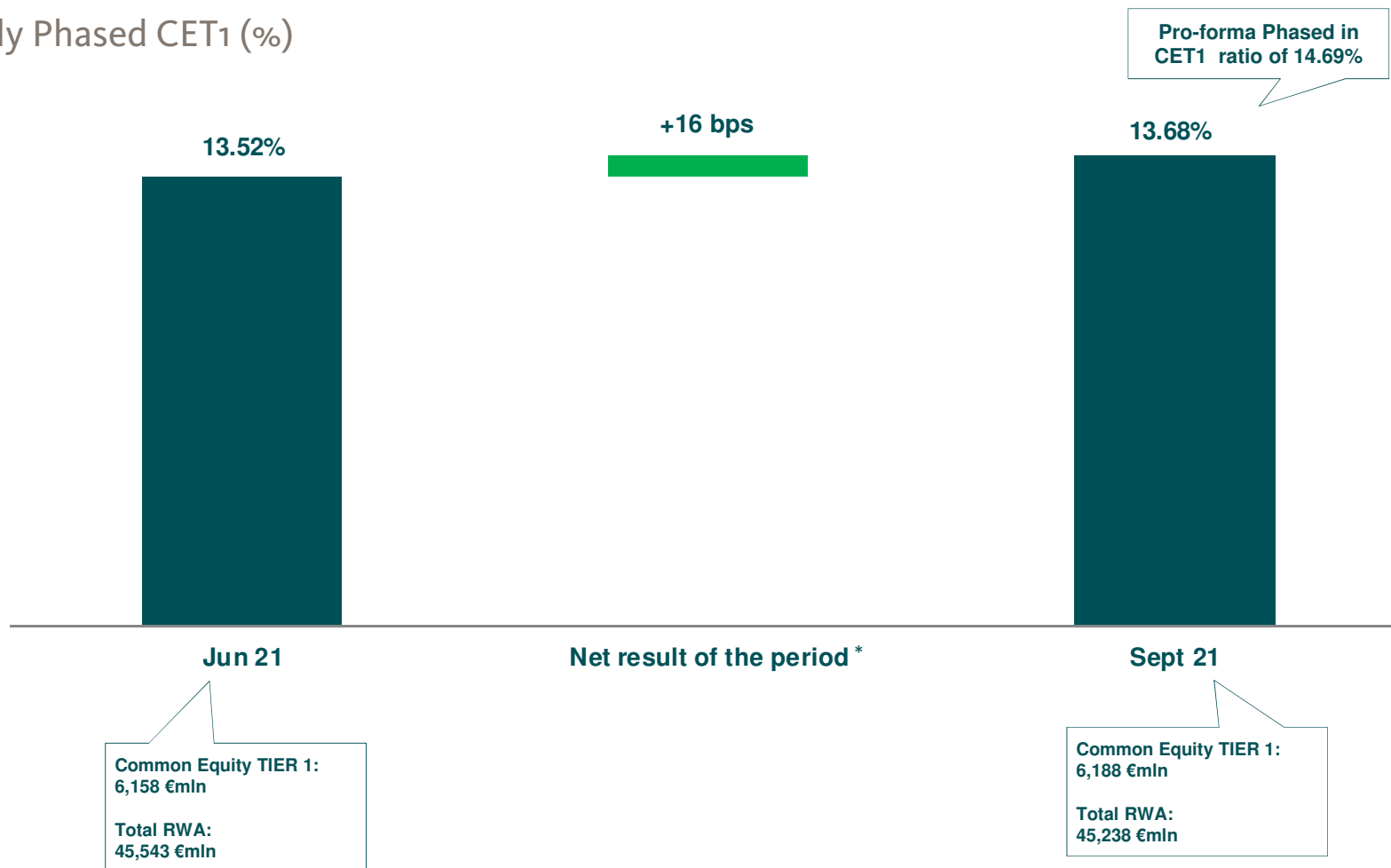
Final remarks

ANNEXES

Capital

High capital position with a proforma Fully Phased CET1 at 13.68% well above the SREP requirement (8.125%)

Proforma Fully Phased CET1 (%)



Note: The pro-forma CET1 ratio Fully Phased has been estimated excluding the effects of the transitional arrangements in force and including the result for the period, thus simulating, in advance, the effects of the ECB's authorisation to include these profits in Own Funds pursuant to art. 26, para. 2 of the CRR

* Including RWA dynamic and other residual effects

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Final remarks

Increase in overall profitability after going concern integration, coupled with improved risk profile and a strong capital position

**9M21 Profit before tax
excluding one-offs
417.1 €mln**

**Gross NPE ratio
5.5%**

**Fully Phased CET1 ratio
13.7%**

- ▶ Increase in operating profitability underpinned by net commissions growth and positive commercial performance
- ▶ Major reduction in NPE ratio, expected to decline further on the back of ongoing derisking
- ▶ Strong capital position gives room to increase shareholder payout

The strong results achieved in profitability, asset quality and capital position combined with an enhanced competitive edge, pave the way for the Group's new 2022-2024 Business Plan, whose strategic guidelines will support a new phase of growth for the BPER Group

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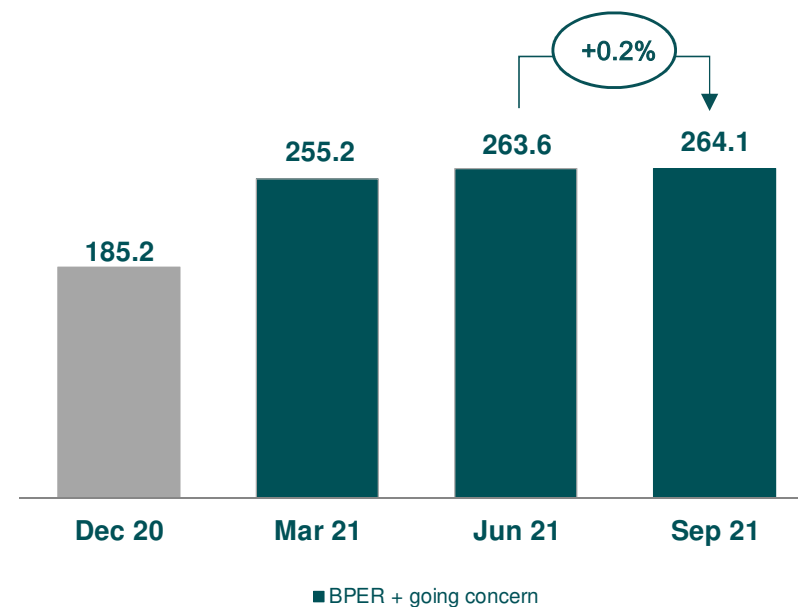
Total funding

Total funding reached 264.1 €bn (+43% YTD), and is mainly accounted for by Indirect Deposits (166.2 €bn)

Total Funding breakdown (€mln)

| Total Funding | Dec 20 | Jun 21 | Sep 21 | Chg. Q/Q (%) | Chg. YTD (%) |
|--------------------------------|----------------|----------------|----------------|--------------|---------------|
| Direct Deposits | 63,141 | 98,498 | 97,918 | -0.6% | +55.1% |
| Indirect Deposits ¹ | 122,077 | 165,079 | 166,167 | +0.7% | +36.1% |
| Total Funding | 185,218 | 263,577 | 264,085 | +0.2% | +42.6% |
| o/w ARCA Holding | 17,445 | 18,247 | 18,435 | +1.0% | +5.7% |

Total Funding, quarterly trend (€bn)

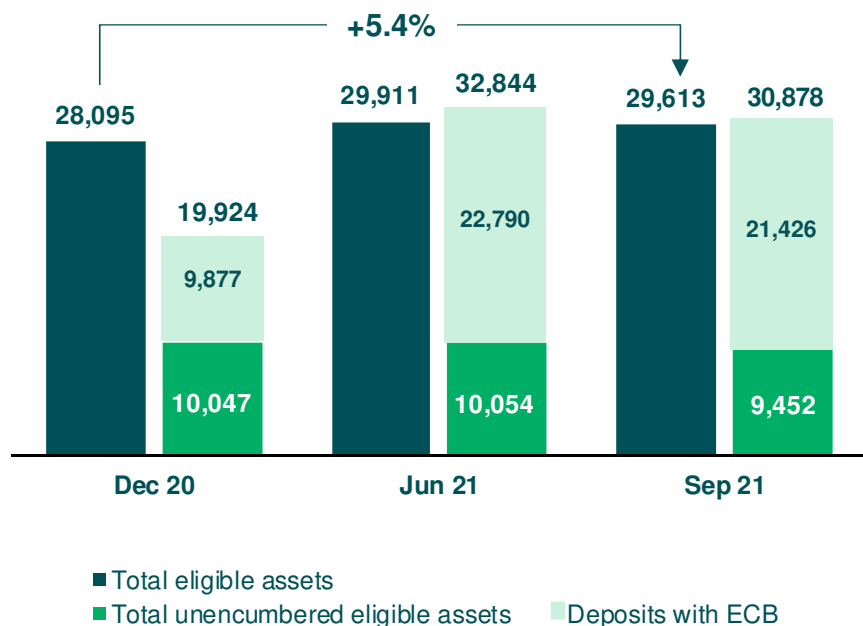


1. Includes life-insurance products
Note: figures on this page may not add exactly due to rounding differences

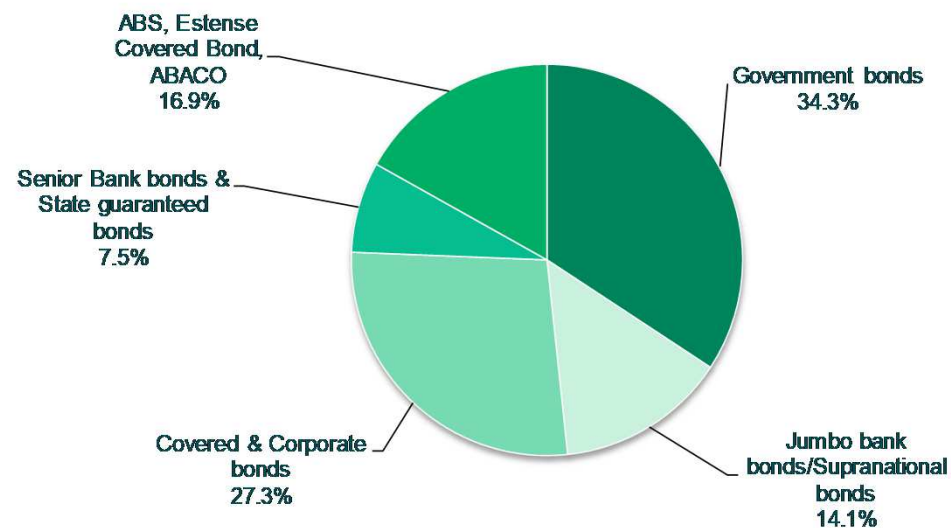
Liquidity

High level of liquidity with LCR >200% and liquidity buffer close to 30.9 €bn

Total eligible Assets over time* (€mln)



Eligible Assets Pool Composition (%)



- ECB exposure of 18.4 €bn fully made up of TLTRO III funds, up from 16.7 €bn in Dec. '20 following an additional take up of 1.7 €bn in the auction of March 2021
- LCR >200% largely in excess of regulatory threshold, with the NSFR ratio settling well above 100%

Note: figures in this page may not add exactly due to rounding differences.
 * Net of ECB haircut.

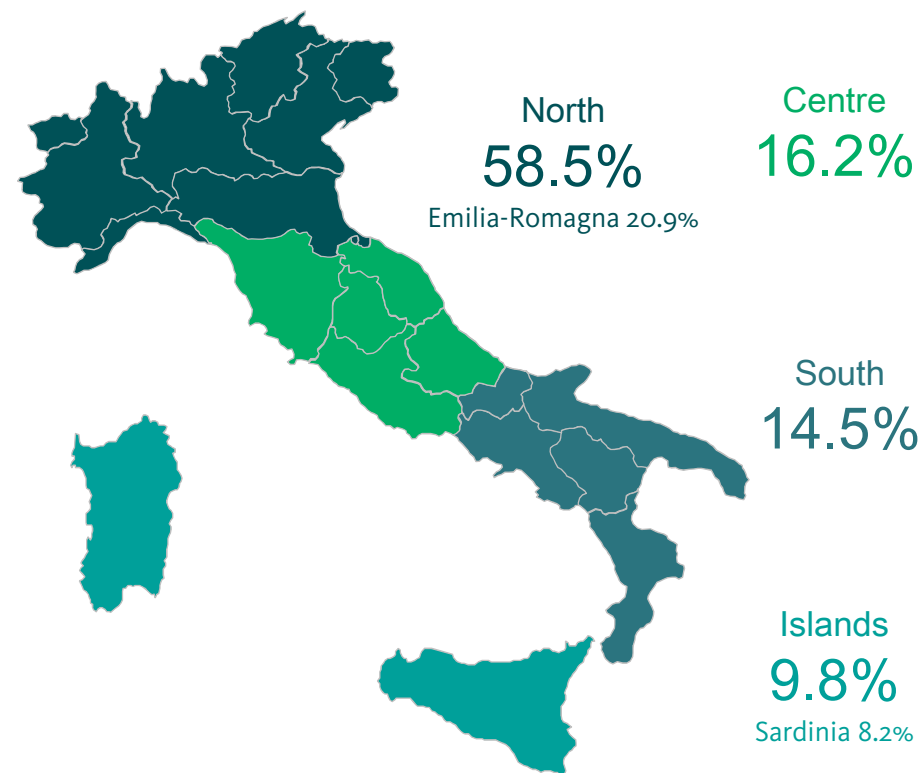
Net Customer loans

Portfolio composition

Net customer loans breakdown by sector (€mln)

| Business sector | Sep 21 | % on Total Customer Loans | Δ % vs Dec 20 |
|---|---------------|---------------------------|---------------|
| Manufacturing | 11,267 | 14.7% | +47.0% |
| Wholesale and retail services, recoveries and repairs | 6,366 | 8.3% | +43.5% |
| Construction | 3,188 | 4.2% | +47.9% |
| Real Estate | 4,230 | 5.5% | +35.6% |
| HORECA* | 1,862 | 2.4% | +24.9% |
| Agriculture, forestry and fishing | 1,005 | 1.3% | +26.9% |
| Other | 8,105 | 10.6% | +37.1% |
| Total loans to non-financial businesses | 36,024 | 47.1% | +40.9% |
| Households | 34,152 | 44.7% | +56.0% |
| Total loans to financial businesses | 6,307 | 8.2% | +14.0% |
| Total Customer Loans | 76,483 | 100.0% | +44.3% |
| Debt Securities | 14,357 | 18.8% | +12.8% |

Customer loans breakdown by geographical areas¹(%)



* Hotels, Restaurants & Cafés (HORECA). Note: figures as per ATECO business sector definitions (ISTAT, the Italian National Institute of Statistics).

1. Commercial banks + Sarda Leasing, excluding non-resident loans. Figures from data management system.

Note: figures on this page may not add exactly due to rounding differences.

Asset quality

Annexes

Asset quality breakdown (excl. debt securities)

| Gross exposures (€/mln) | Dec 20 | | Mar 21 | | Jun 21 | | Sep 21 | | Chg Q/Q | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------|--------------|
| | | comp. % | | comp. % | | comp. % | | comp. % | Abs. | Chg (%) |
| Non Performing Exposures (NPEs) | 4,343 | 7.8% | 4,778 | 6.1% | 4,470 | 5.7% | 4,383 | 5.5% | -86 | -1.9% |
| Bad loans | 2,076 | 3.7% | 2,368 | 3.0% | 2,341 | 3.0% | 2,350 | 3.0% | 9 | +0.4% |
| Unlikely to pay loans | 2,125 | 3.8% | 2,280 | 2.9% | 1,994 | 2.5% | 1,873 | 2.4% | -121 | -6.1% |
| Past due loans | 141 | 0.3% | 130 | 0.2% | 135 | 0.2% | 160 | 0.2% | 25 | +18.6% |
| Gross performing loans | 51,048 | 92.2% | 73,339 | 93.9% | 74,583 | 94.3% | 74,966 | 94.5% | 384 | +0.5% |
| Total gross exposures | 55,391 | 100.0% | 78,117 | 100.0% | 79,052 | 100.0% | 79,350 | 100.0% | 297 | +0.4% |

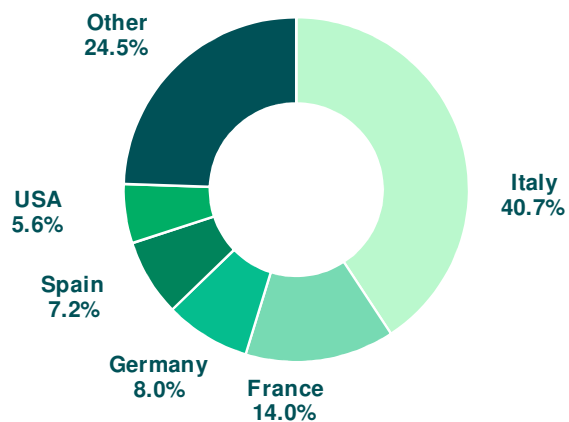
| Adjustments to loans (€/mln) | Dec 20 | | Mar 21 | | Jun 21 | | Sep 21 | | Chg Q/Q | |
|---------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|--------------|
| | | coverage (%) | | coverage (%) | | coverage (%) | | coverage (%) | Abs. | Chg (%) |
| Adjustments to NPEs | 2,213 | 51.0% | 2,366 | 49.5% | 2,317 | 51.8% | 2,426 | 55.3% | 108 | +4.7% |
| Bad loans | 1,349 | 65.0% | 1,370 | 57.8% | 1,425 | 60.9% | 1,480 | 63.0% | 55 | +3.9% |
| Unlikely to pay loans | 831 | 39.1% | 963 | 42.2% | 858 | 43.1% | 908 | 48.4% | 49 | +5.7% |
| Past due loans | 33 | 22.4% | 34 | 26.1% | 34 | 24.9% | 38 | 23.9% | 5 | +13.5% |
| Adjustments to performing loans | 172 | 0.3% | 383 | 0.5% | 445 | 0.6% | 441 | 0.6% | -4 | -0.8% |
| Total adjustments | 2,385 | 4.3% | 2,750 | 3.5% | 2,762 | 3.5% | 2,867 | 3.6% | 105 | +3.8% |

| Net exposures (€/mln) | Dec 20 | | Mar 21 | | Jun 21 | | Sep 21 | | Chg Q/Q | |
|---------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|------------|--------------|
| | | comp. % | | comp. % | | comp. % | | comp. % | Abs. | Chg (%) |
| Non Performing Exposures (NPEs) | 2,130 | 4.0% | 2,412 | 3.2% | 2,152 | 2.8% | 1,957 | 2.6% | -195 | -9.1% |
| Bad loans | 727 | 1.4% | 998 | 1.3% | 916 | 1.2% | 870 | 1.1% | -46 | -5.0% |
| Unlikely to pay loans | 1,294 | 2.4% | 1,317 | 1.7% | 1,135 | 1.5% | 965 | 1.3% | -170 | -15.0% |
| Past due loans | 110 | 0.2% | 96 | 0.1% | 101 | 0.1% | 122 | 0.2% | 21 | +20.3% |
| Net performing loans | 50,876 | 96.0% | 72,956 | 96.8% | 74,138 | 97.2% | 74,525 | 97.4% | 387 | +0.5% |
| Total net exposures | 53,006 | 100.0% | 75,367 | 100.0% | 76,290 | 100.0% | 76,482 | 100.0% | 192 | +0.3% |

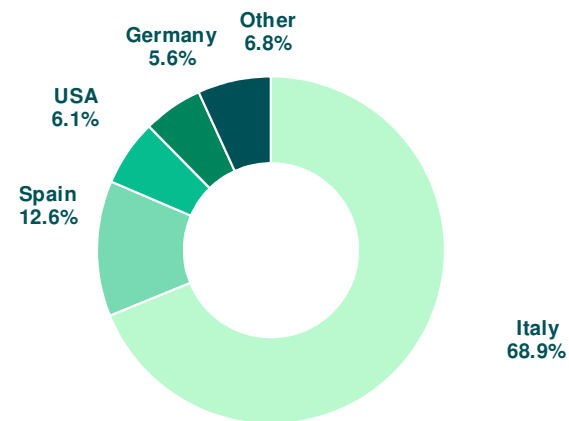
Note: figures on this page may not add exactly due to rounding differences.

Financial Assets: highlights

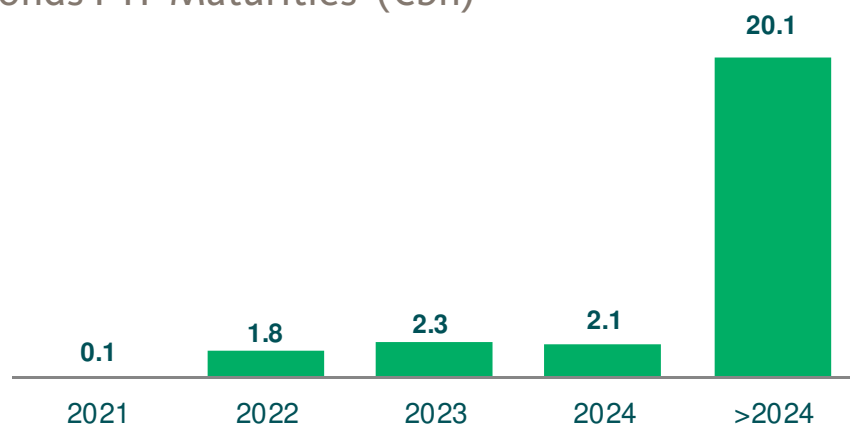
Bond PTF Geographical breakdown (%)



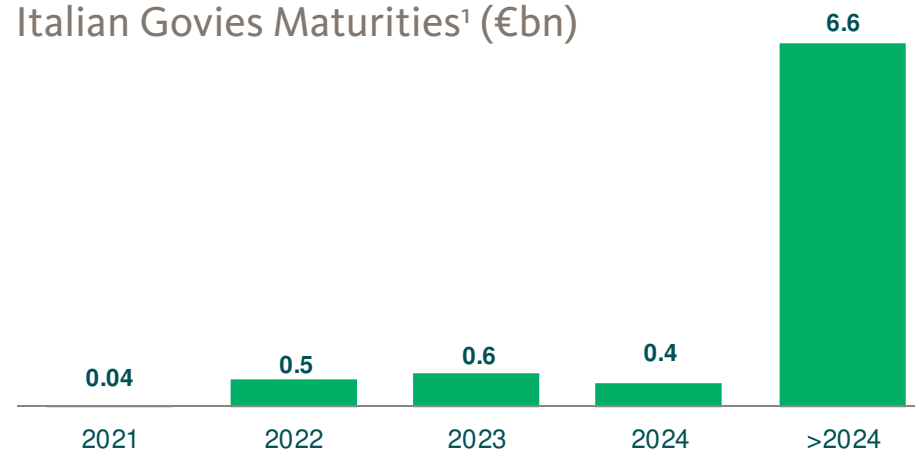
Govies PTF Geographical breakdown (%)



Bonds PTF Maturities¹ (€bn)



Italian Govies Maturities¹ (€bn)



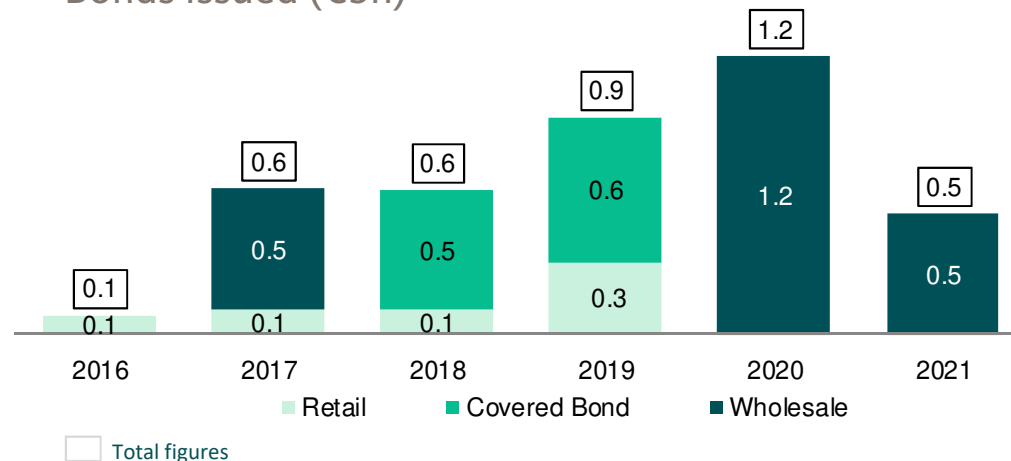
1. Figures are shown in nominal amounts.
Note: figures from data management system.

Bond maturities and issuances: highlights

Outstanding bonds¹ (€bn)

| | Dec 20 | Sep 21 |
|-------------------------------|------------|------------|
| Wholesale bonds | 3.5 | 3.9 |
| <i>o/w covered bonds</i> | 1.9 | 1.9 |
| <i>o/w subordinated bonds</i> | 0.9 | 0.9 |
| Retail bonds | 1.0 | 0.8 |
| Total bonds | 4.5 | 4.6 |

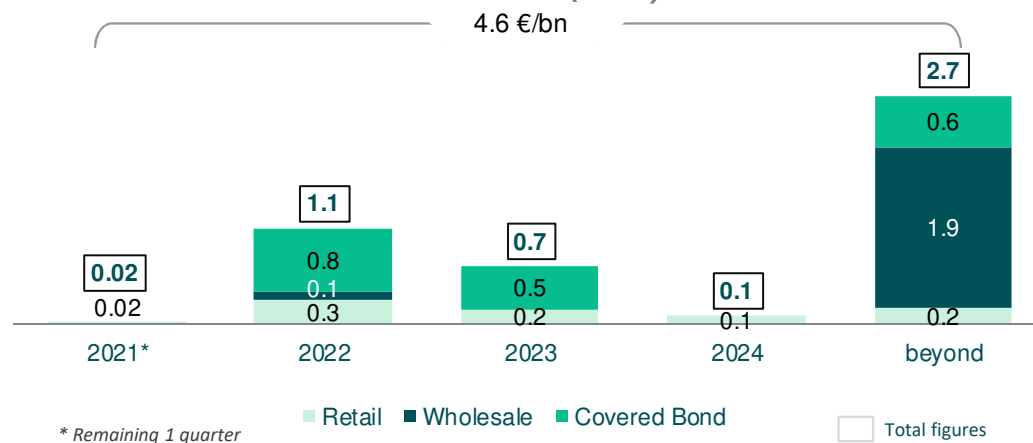
Bonds issued (€bn)



2021 Bond maturities (€bn)



Bond maturities breakdown (€bn)



1. including Unipol Banca bonds.

Note: figures on this page: 1) reflect nominal amounts and 2) may not add exactly due to rounding differences.

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