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**Banca Popolare
di Sondrio**

FONDATA NEL 1871

IL GRUPPO BANCARIO AL CENTRO DELLE ALPI

Q1 2022 Consolidated Results Presentation

May 2022





- 1 BUSINESS AND FINANCIAL HIGHLIGHTS**
- 2 Q1 2022 FINANCIAL RESULTS**
- 3 ANNEXES**



① BUSINESS AND FINANCIAL HIGHLIGHTS

Q1 2022 BUSINESS HIGHLIGHTS



REMARKABLE GROWTH OF CORE BANKING ACTIVITIES

- NII UP 21% Y/Y AND 13% Q/Q
- NET FEES & COMMISSIONS UP 8% Y/Y

CONTINUOUS SUPPORT TO THE REAL ECONOMY

- NEW LENDING TO HOUSEHOLDS AND BUSINESSES FOR 1.4 €BN
- NET LOANS TO CUSTOMERS UP 6.3% Y/Y AND 1.3 YtD

ASSET QUALITY UNDER CONTROL

- GROSS AND NET NPE RATIO AT 5.7% AND 2.5% RESPECTIVELY
- NPE COVERAGE AT 56.8%
- ANNUALISED CoR AT 0.35%

CORPORATE TRANSACTION

- FULL CONTROL OF FACTORIT BY ACQUIRING THE 39.5% STAKE OF THE COMPANY FROM BANCO BPM

GOOD RESULTS IN Q1 2022



NET RESULT

€40.3 M

(-32% YoY)

ROE

4.9%

(from 7.9% at Q1 2021)

COST-INCOME

66.4%

(from 56.6% at Q1 2021)

LOANS GROWTH

+1.3%

(YtD)

NET NPL RATIO

2.5%

(from 3.6% at Q1 2021)

CET1 RATIO FL

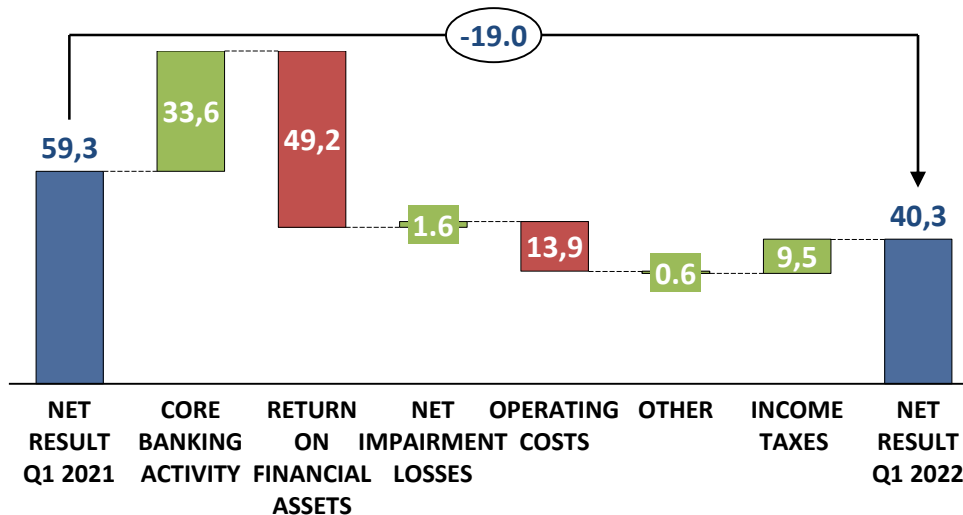
15.2%

*(large buffer over 8.6% 2022
SREP requirement)*

POSITIVE BOTTOM LINE SUPPORTED BY STRONG NII AND NF&C...



INCOME STATEMENT [1]	Q1 2021	Q1 2022	YoY	
			Δ € M	Δ%
€ M	ACTUAL	ACTUAL		
CORE BANKING ACTIVITY	214.0	247.7	33.6	15.7%
ow Net interest income	129.3	156.2	26.9	20.8%
ow Net fee and commission income	84.8	91.5	6.7	7.9%
RETURN ON FINANCIAL ASSETS	32.9	-16.3	-49.2	-
TOTAL INCOME	247.0	231.4	-15.6	-6.3%
NET IMPAIRMENT LOSSES	-28.9	-27.3	1.6	-5.5%
OPERATING COSTS	-139.8	-153.7	-13.9	9.9%
GROSS RESULT	86.8	57.1	-29.7	-34.2%
NET RESULT	59.3	40.3	-19.0	-32.0%



MAIN DRIVERS:

- ✓ Core business activities up 15.7% (NII +20.8%; NF&C +7.9%)
- ✓ CoR under control at 0.35%

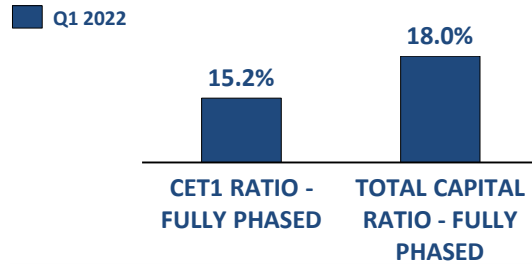
[1] Reclassified data, please see page 34 for details.

...WITH A SOLID CAPITAL AND LIQUIDITY POSITION AND SOUND ASSET QUALITY

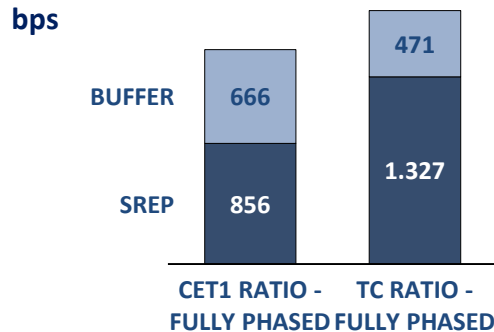


BEST-IN-CLASS CAPITAL

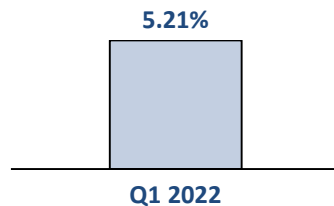
CET 1 RATIO & TOTAL CAPITAL RATIO (%)



BUFFER OVER 2022 SREP REQUIREMENTS



LEVERAGE RATIO (FULLY-PHASED)



AMPLE LIQUIDITY

LCR

149%

NSFR

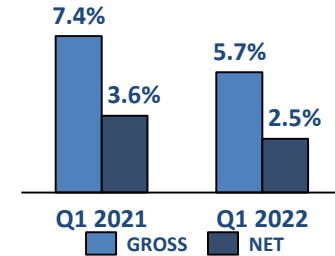
>100%

LOANS / DEPOSITS

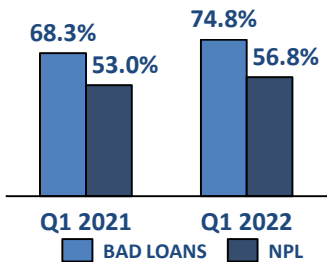
91.8%

IMPROVING ASSET QUALITY

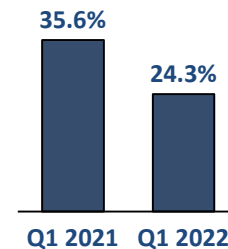
NPL RATIOS



COVERAGE RATIOS



TEXAS RATIO⁽¹⁾



(1) Net NPLs / (net equity-intangible assets).



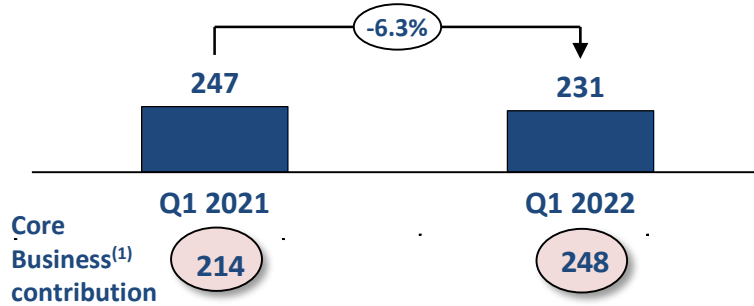
② Q1 2022 FINANCIAL RESULTS

SOLID UNDERLYING PERFORMANCE OF CORE BUSINESS

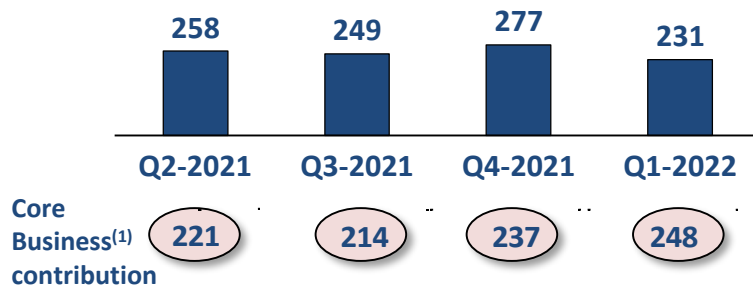


TOTAL INCOME (€M)

Yearly Evolution

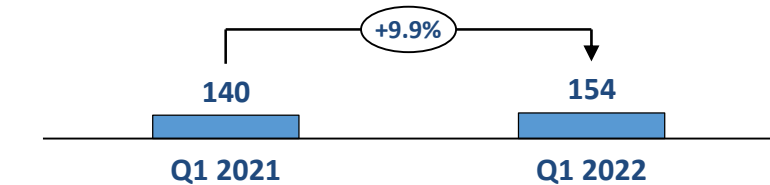


Quarterly Evolution

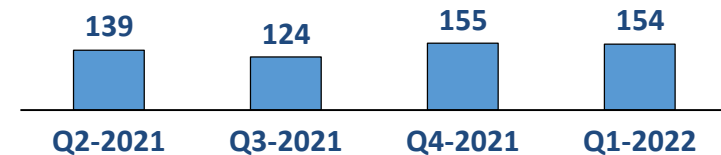


OPERATING COSTS (€M)

Yearly Evolution

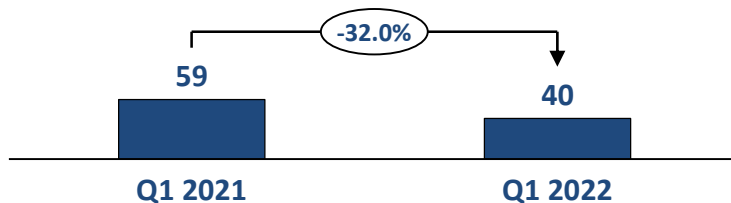


Quarterly Evolution

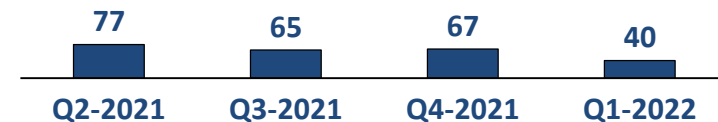


NET RESULT (€M)

Yearly Evolution



Quarterly Evolution



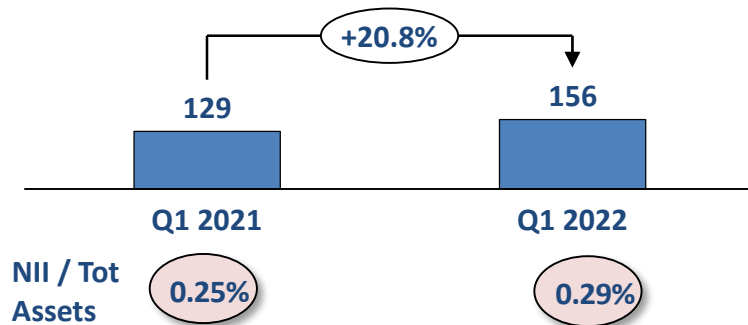
(1) Core business = NII+ NF&C

FOCUS ON NII EVOLUTION

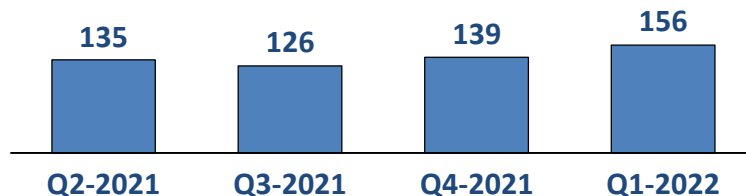


NET INTEREST INCOME (€M)

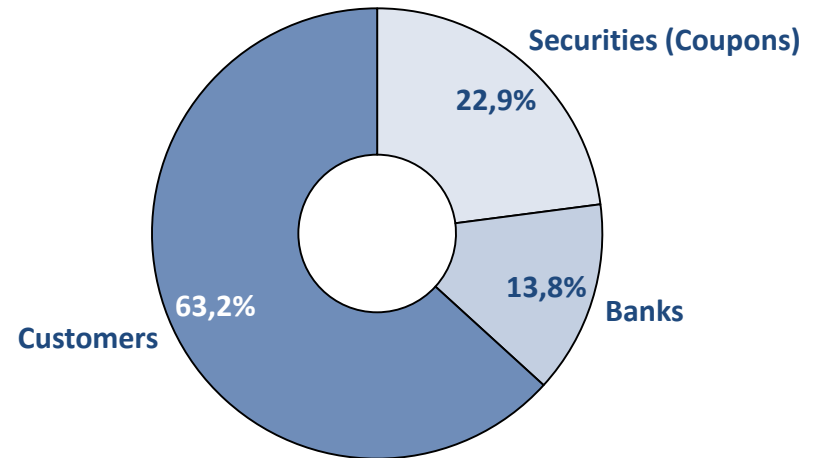
Yearly Evolution



Quarterly Evolution



NET INTEREST INCOME BREAKDOWN⁽¹⁾



(1) BPS individual management data as at 31/03/2022.

MAIN DRIVERS:

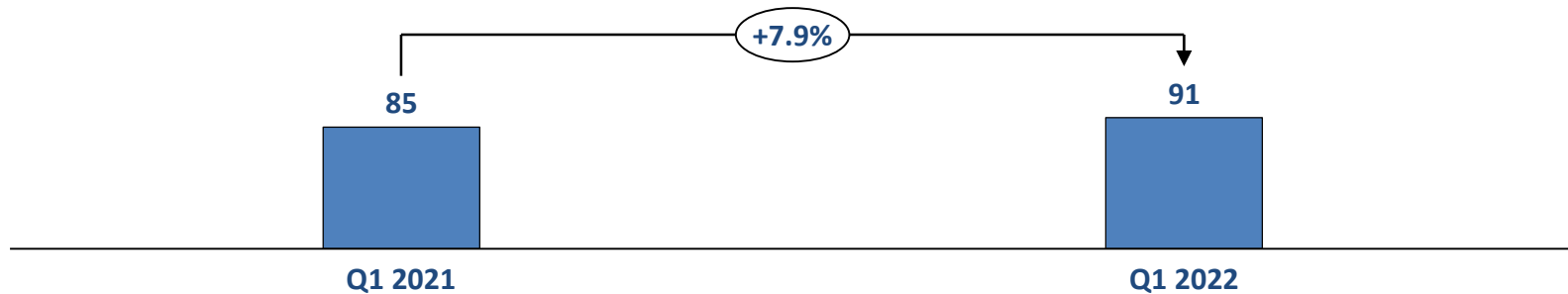
- ✓ Increasing customer margin Y/Y thanks to higher average loans volumes
- ✓ Higher contribution from the Group's proprietary portfolio thanks to its greater size and the remarkable coupon flow of inflation-linked securities (21€ M in Q1 2022)
- ✓ Interbank margin up 21% Y/Y (3€ M) thanks to full utilization of ECB's TLTRO III benefit and to the reduced recourse of ECB's O/N facility for excess liquidity

FOCUS ON NET FEES AND COMMISSIONS

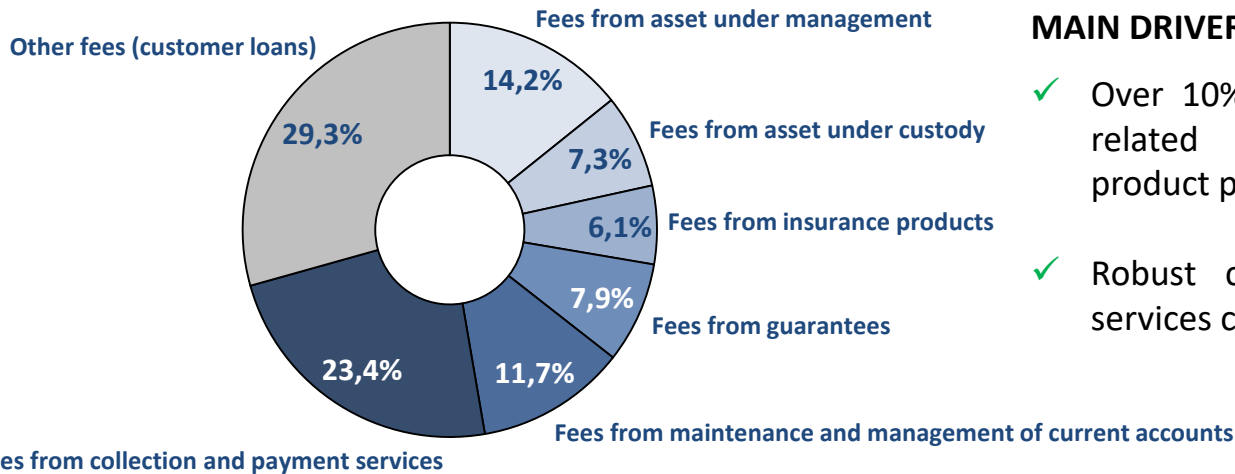


NET FEES (€M)

Yearly Evolution



Q1 2022 BREAKDOWN



MAIN DRIVERS:

- ✓ Over 10% growth of commissions related to asset management product placement
- ✓ Robust contribution of payment services component

FINANCIAL ASSETS CONTRIBUTION TO P&L



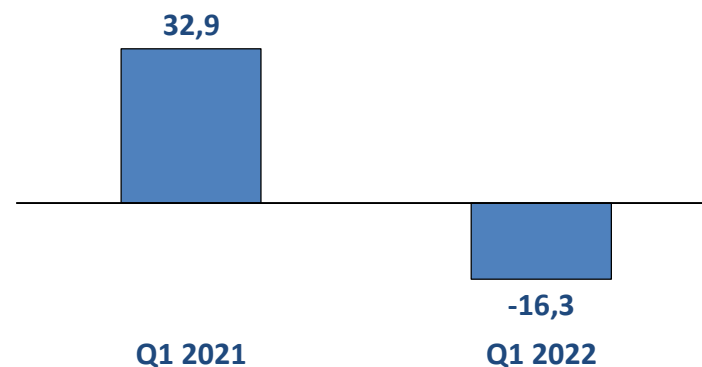
BREAKDOWN OF RETURN ON FINANCIAL ASSETS (€M)

	Q1 2021	Q1 2022	YoY		Q4-2021	Q1-2022	Var.	
			Δ € M	Δ%			Δ € M	Δ%
Dividends and similar income	0.8	0.2	-0.6	-70.0%	0.6	0.2	-0.3	-56.7%
Net trading income	18.1	2.3	-15.8	-87.2%	19.5	2.3	-17.2	-88.2%
Net hedging income	0.0	-0.1	-0.1	-	0.2	-0.1	-0.3	-
Net gains from sales or repurchases	10.9	14.8	3.9	36.0%	17.9	14.8	-3.0	-16.9%
Net gains on financial assets and liabilities at FVTPL	3.1	-33.6	-36.7	-	1.6	-33.6	-35.2	-
Return on financial assets	32.9	-16.3	-49.2	-	39.8	-16.3	-56.1	-

MAIN DRIVERS:

- ✓ «Pure» trading contribution positive for 17.2 €M vs 29 €M
- ✓ Impact from mark-to-market losses (around 30 € M) mainly related to:
 - fixed income funds/SICAV (around 800 €M)
 - Loans (around 400 €M)
 mandatorily subject to fair value and penalized by the strongly rising interest rates

Yearly Evolution

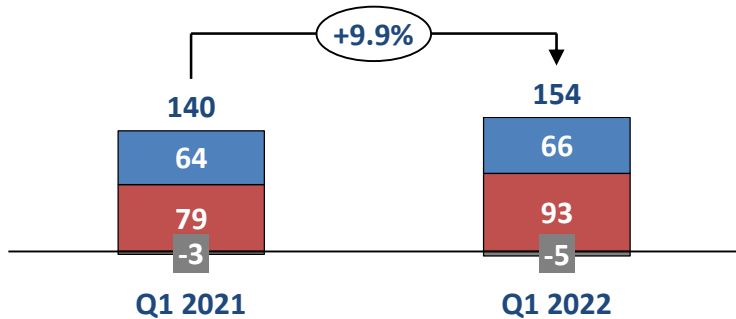


OPERATING COSTS: UNDERLYING COSTS UNDER CONTROL, SIGNIFICANT IMPACT OF INCREASING SRB/DGS CHARGES



OPERATING COSTS (€M)

Yearly Evolution



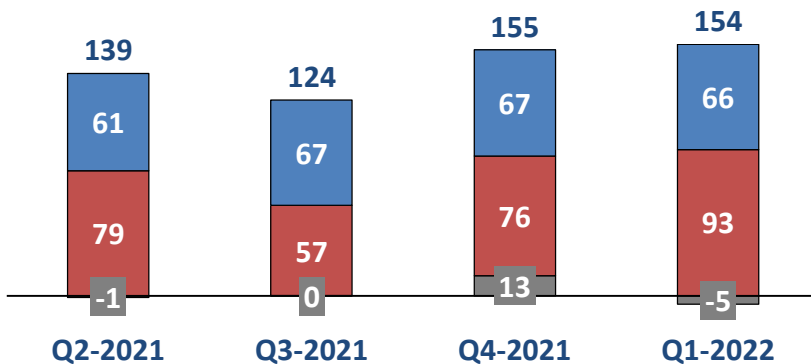
SRB/DGS CHARGES

20 M

+50%

30 M

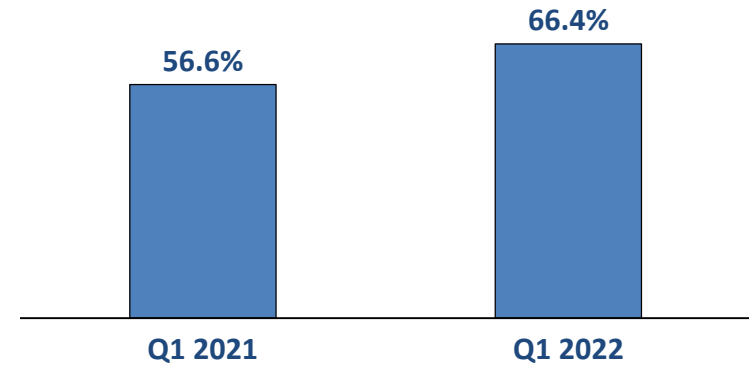
Quarterly Evolution



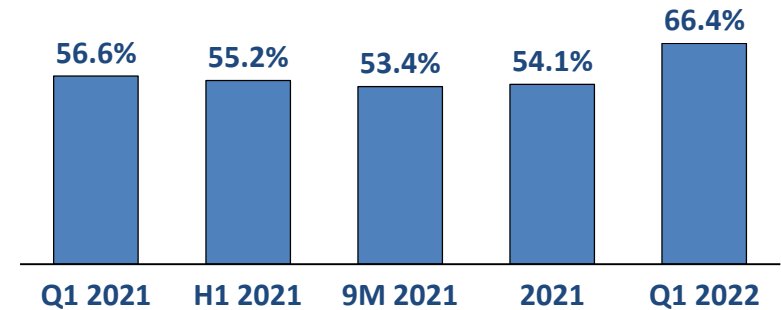
Personnel expenses Other administrative expenses Other

COST / INCOME RATIO (%)

Yearly Evolution



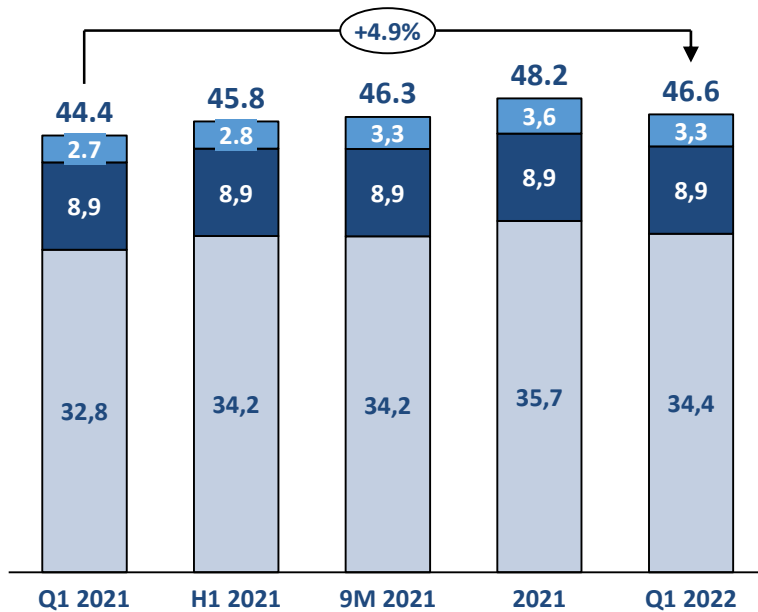
C/I Evolution



FUNDING STRUCTURE

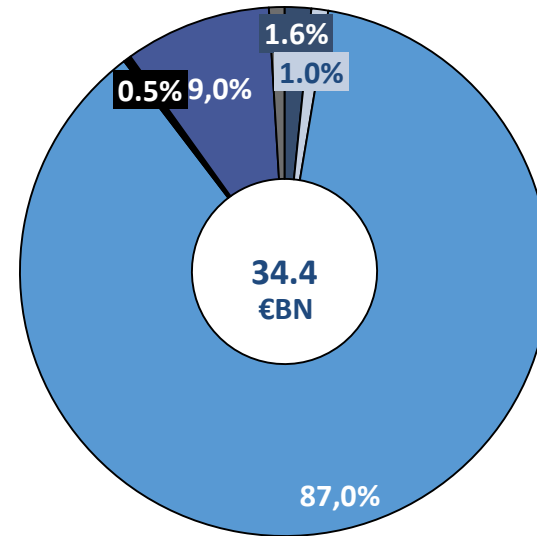


TOTAL FUNDING (€BN)



✓ THE REDUCTION OF SIGHT DEPOSITS IS MAINLY STEMMING FROM THE INTRODUCTION OF NEGATIVE RATES AND «CAPS» FOR THE LARGEST DEPOSITORS

FUNDING FROM CUSTOMERS BREAKDOWN



(*) Certificates of deposit, leasing liabilities, cashier checks and other.

FOCUS ON ECB FUNDING

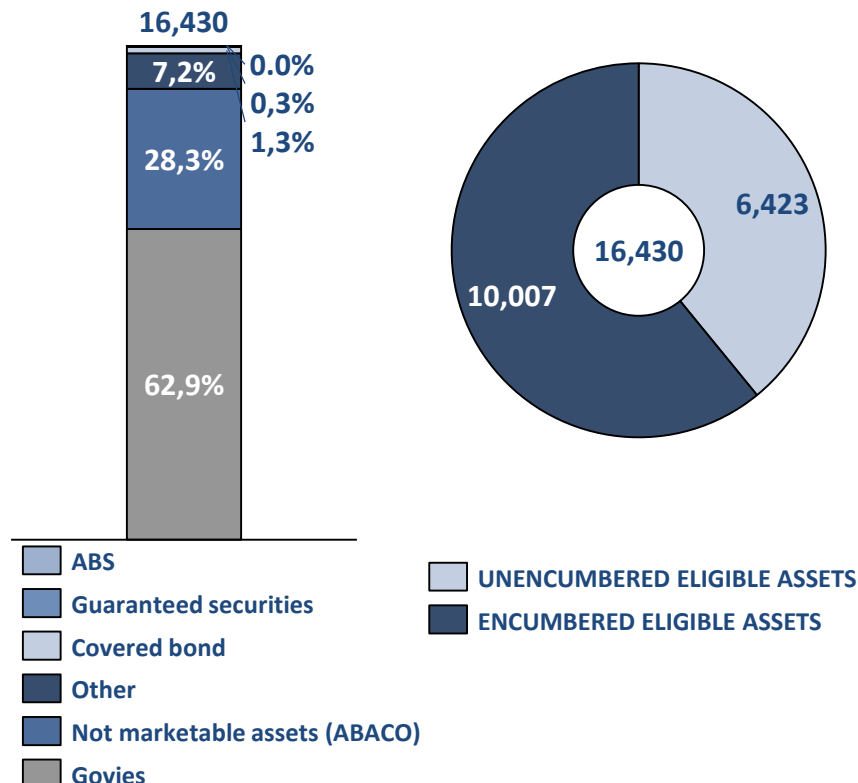


FUNDING TLTRO III

€4,368M	Coming due 28 June 2023
€806M	Coming due 27 March 2024
€3,700M	Coming due 25 September 2024
€8,874M	Total exposure

ELIGIBLE ASSETS (€M)

BPS individual management data

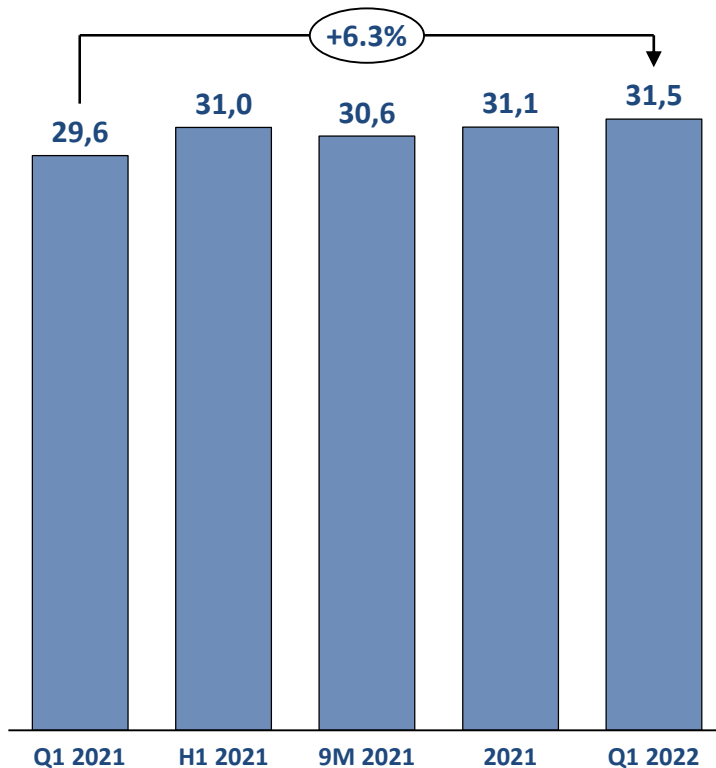


✓ LENDING TARGET ACHIEVED FOR FULL FUNDING BENEFIT (-1% UNTIL 30 JUNE 2022)

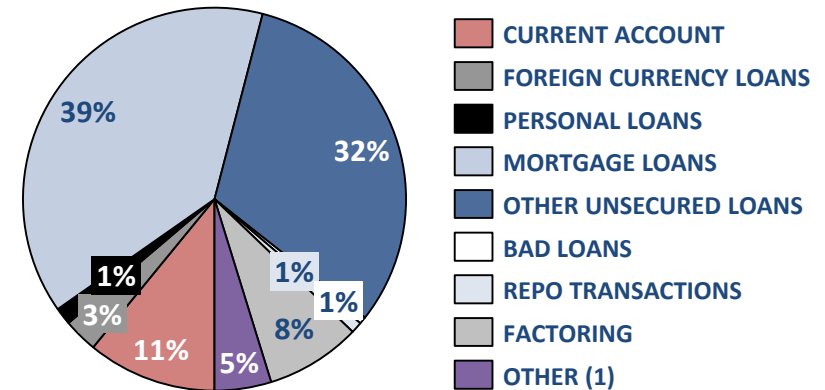
FOCUS ON CUSTOMER LOANS: STEADY AND DISCIPLINED LENDING VOLUME GROWTH



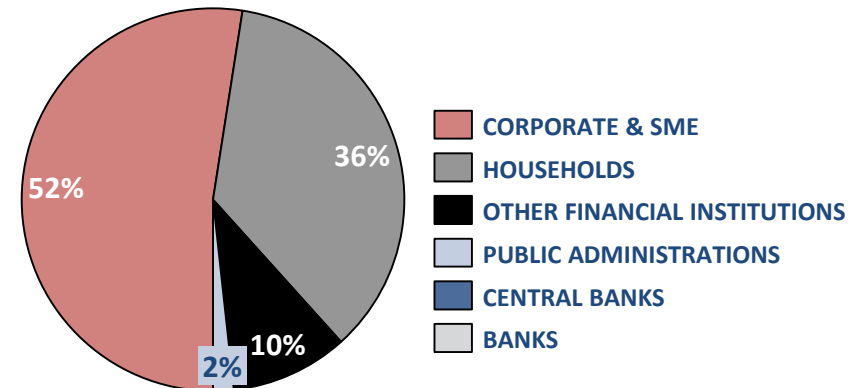
NET CUSTOMER LOANS (€BN)



NET LOANS BY TYPE AS AT 31/03/2022



NET LOANS BY TYPE OF CUSTOMER AS AT 31/03/2022



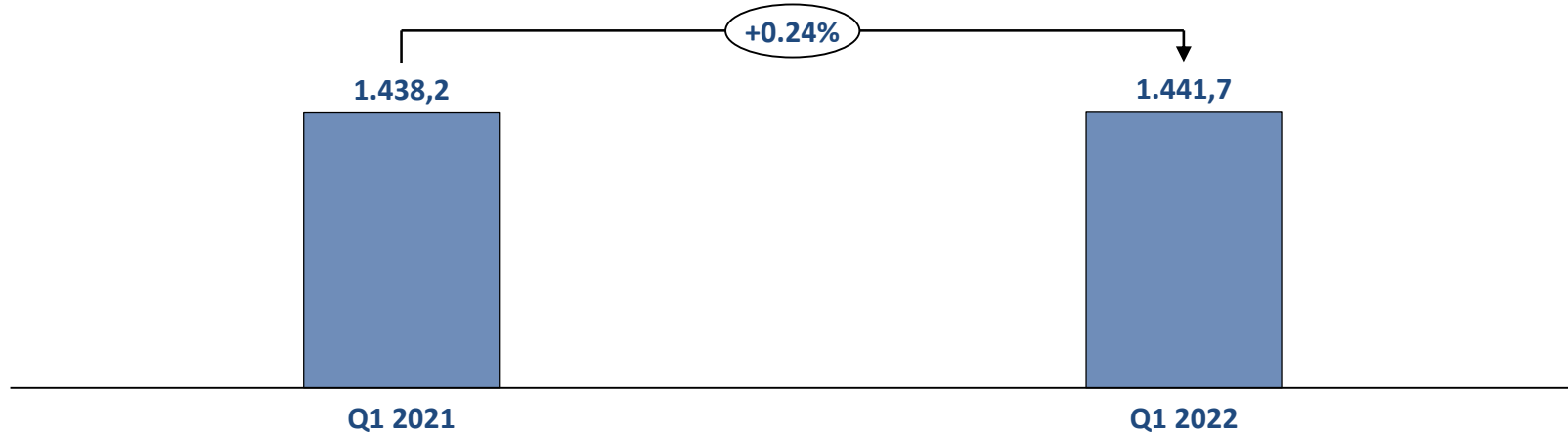
(1) Advances, STC advances, discounted portfolio, loans and mortgages to artisans, agricultural loans, debt notes.

FOCUS ON NEW LENDING

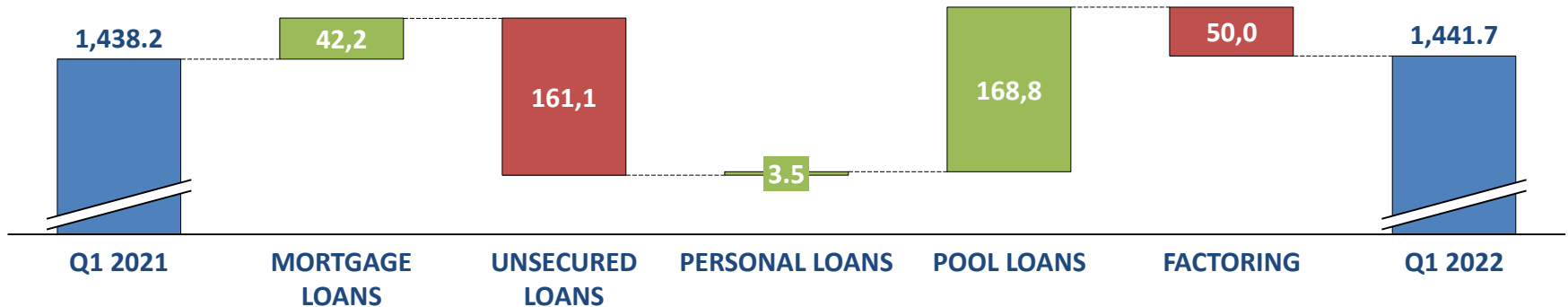


NEW DISBURSEMENTS (€M)

Yearly Evolution



Q1 2021 to Q1 2022 Walk

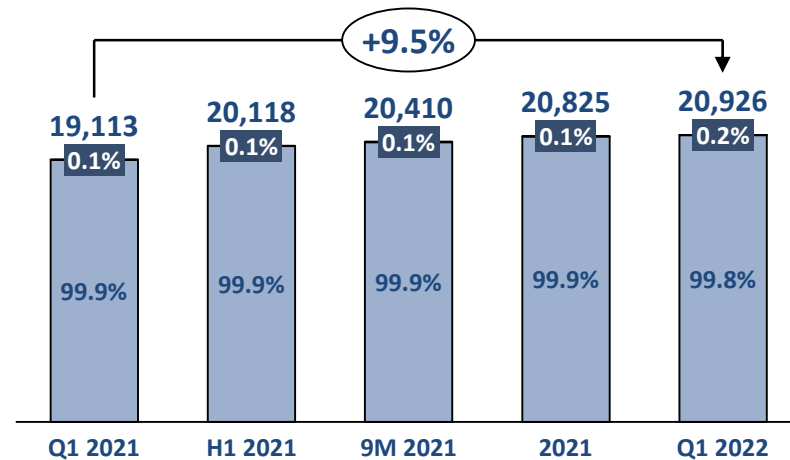
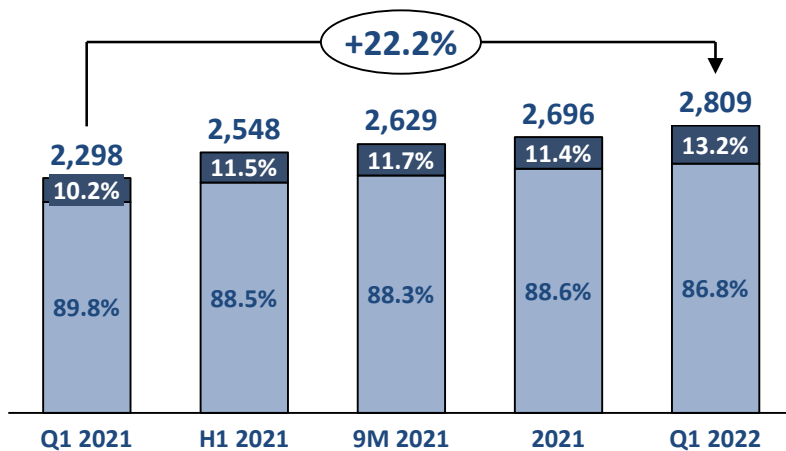


STATE-GUARANTEED LOANS



DISBURSEMENTS (€ M)

NR. OF FINALIZED PROPOSALS



% OF TOTAL LOANS BOOK

9.5

10

10.5

10.8

11.1

■ M.C.C. SCHEMES
■ SACE

ASSET QUALITY

UNDER CONTROL AND STILL IMPROVING

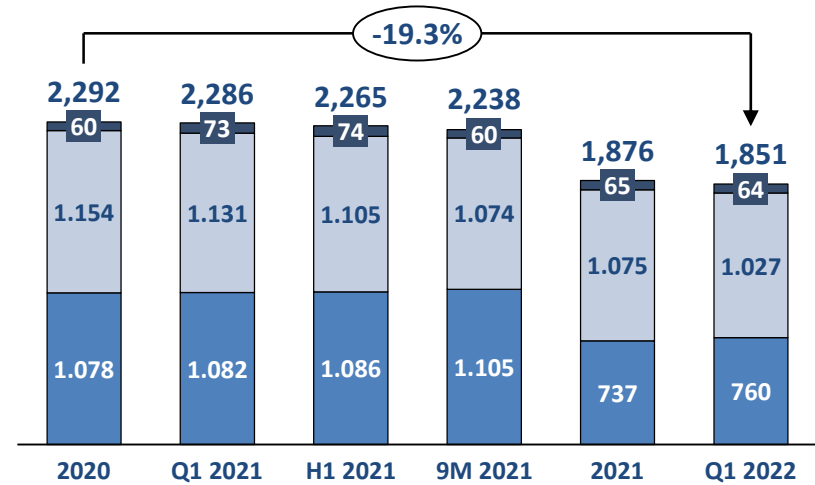


NPL MANAGEMENT

✓ **BEST-IN-CLASS COVERAGE**

✓ **NET NPL RATIO AT 2.5%**

GROSS NPL STOCK (€M)

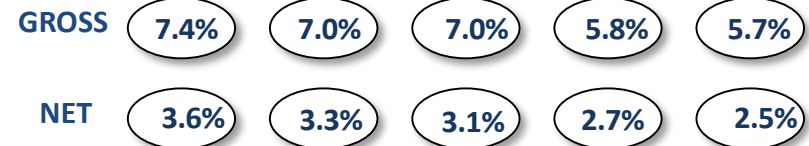


NPL COVERAGE (%)

	2021	Q1 2022
BAD LOANS	73.9%	74.8%
UTP	45.2%	46.2%
PAST DUE	14.3%	13.8%
TOTAL NPLs	55.4%	56.8%

PAST DUE
 UNLIKELY TO PAY
 BAD LOANS

NPL Ratio



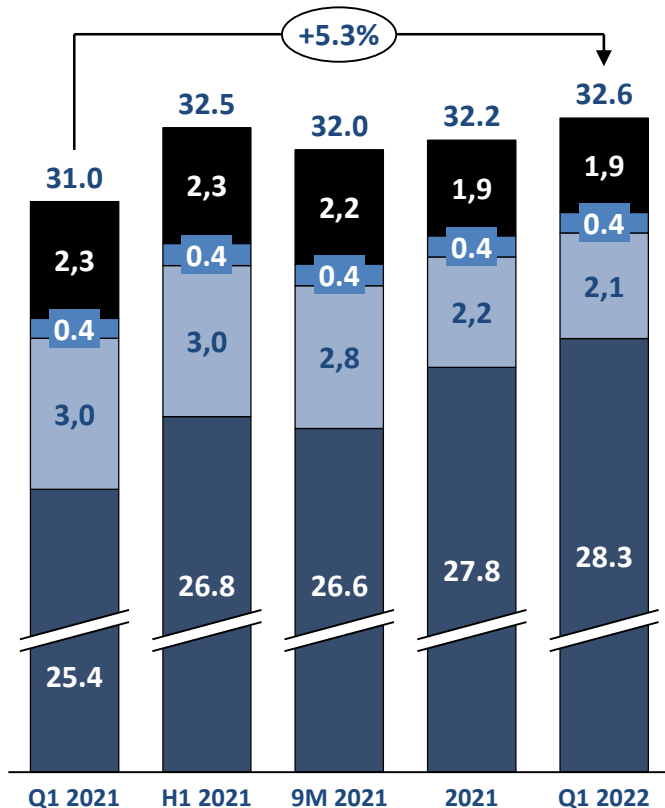
PORTFOLIO DE-RISKING CONFIRMED



FOCUS ON STAGING (€BN)

Gross Customer Loans

STAGE 1
 STAGE 2
 FAIR VALUE
 STAGE 3

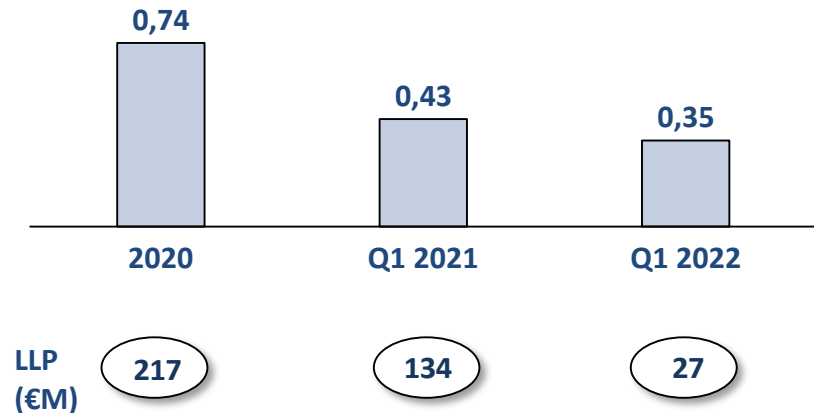


CREDIT QUALITY INDICATORS

BPS individual management data

	2021	Q1 2022
DEFAULT RATE	1.12%	1.04%
DANGER RATE	9.62%	9.86%
CURE RATE	6.13%	7.44%

EVOLUTION OF COST OF RISK (%)



FINANCIAL ASSETS PORTFOLIO

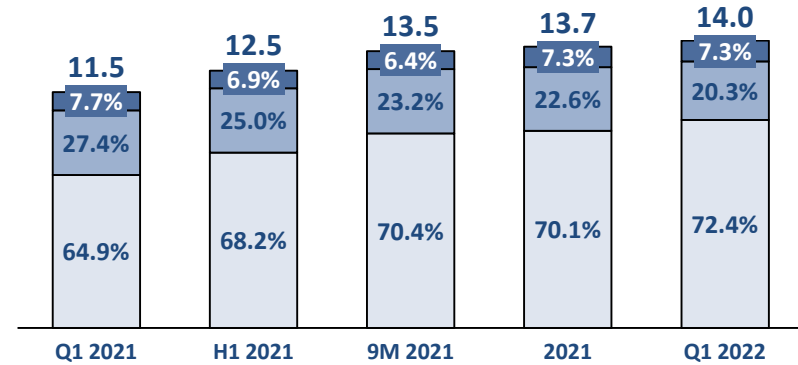
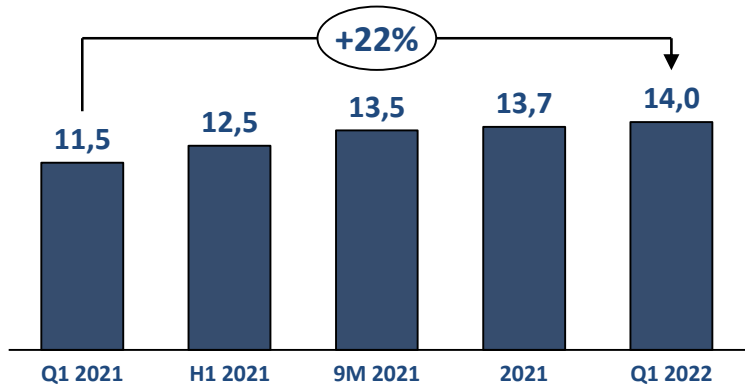


SECURITIES PORTFOLIO (€BN)

BREAKDOWN BY PORTFOLIO (%)

Quarterly Evolution

Held to collect (HTC)
 Held to collect and sell (HTCS)
 Trading



BREAKDOWN BY TYPE OF ASSETS (%)

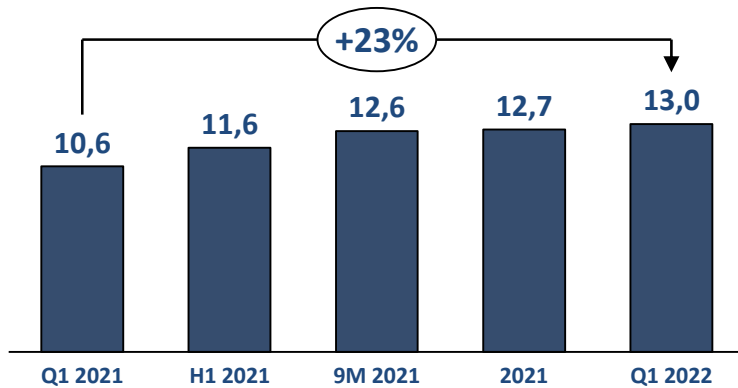
€ BN	Q1 2021	H1 2021	9M 2021	2021	Q1 2022	% ON TOTAL
BONDS	10.6	11.6	12.6	12.7	13.0	92.7%
EQUITY	0.2	0.2	0.2	0.2	0.2	1.2%
FUNDS AND SICAV	0.8	0.7	0.7	0.9	0.9	6.1%
TOTAL	11.5	12.5	13.5	13.7	14.0	100.0%

FOCUS ON THE BOND COMPONENT



BONDS (€BN)

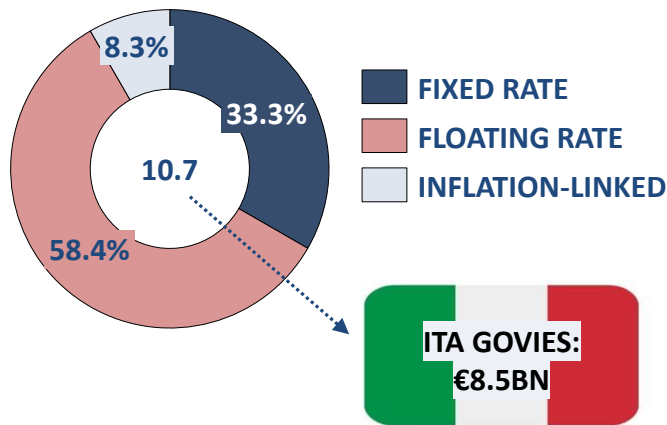
Quarterly Evolution



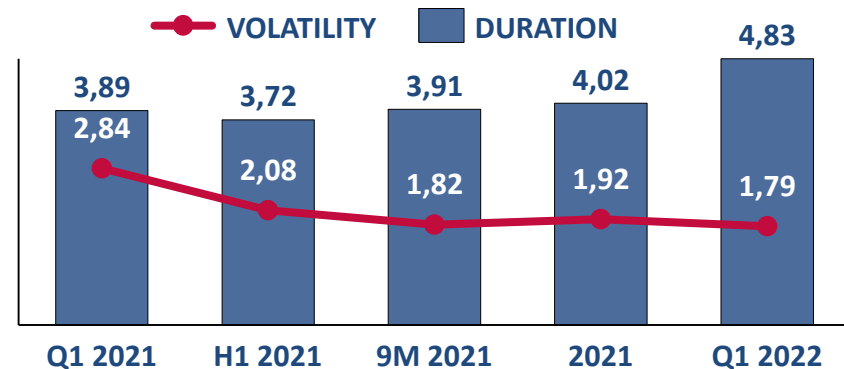
KEY FEATURES

- ✓ STRATEGIC SWITCH INTO FLOATING-RATE NOTES FOR PROTECTION IN A RISING RATES ENVIROMENT
- ✓ AROUND 1 €BN OF INFLATION-LINKERS YIELDING VERY SIGNIFICANT COUPON FLOWS
- ✓ DURATION PORTFOLIO LARGELY MATCHED WITH TLTRO III FUNDING EXPIRATION

GOVERNMENT BONDS⁽¹⁾: EVOLUTION BY TYPE OF RATE – Q1 2022



GOVERNMENT BONDS⁽¹⁾: EVOLUTION OF DURATION AND VOLATILITY



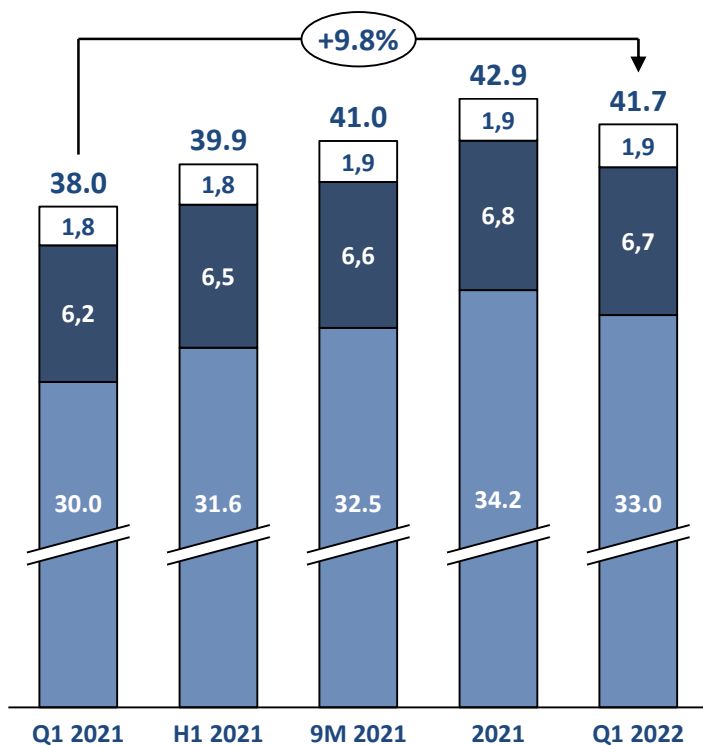
(1) BPS individual management data as at 31/03/2022

INDIRECT FUNDING: NEW INFLOWS FOR ASSET UNDER MANAGEMENT PRODUCTS REMAIN VERY POSITIVE



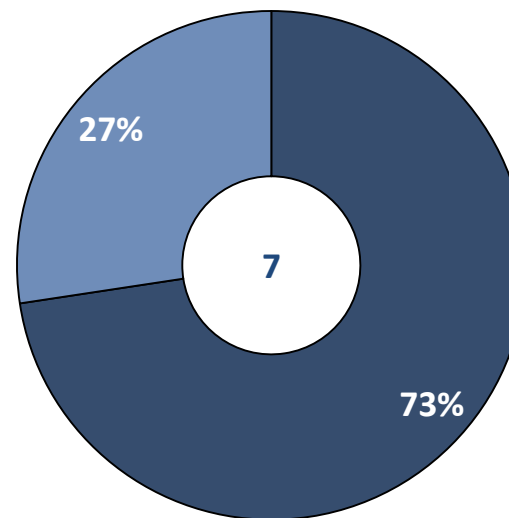
INDIRECT FUNDING (€BN)

- DIRECT FUNDING FROM INSURANCE PREMIUMS
- ASSETS UNDER MANAGEMENT
- ASSETS UNDER CUSTODY



AUM BREAKDOWN (€BN)

INDIVIDUAL PORTFOLIOS MANAGEMENT



MUTUAL FUNDS

Q1 2022

✓ In spite of the negative market dynamics which impacted the AUM, net new inflows for asset under management products was very positive (over 270 €M)

STRONG CAPITAL POSITION WITH LARGE BUFFERS



CET 1 RATIO [Phased-in]

15.3%⁽¹⁾

LEVERAGE RATIO [Phased-in]

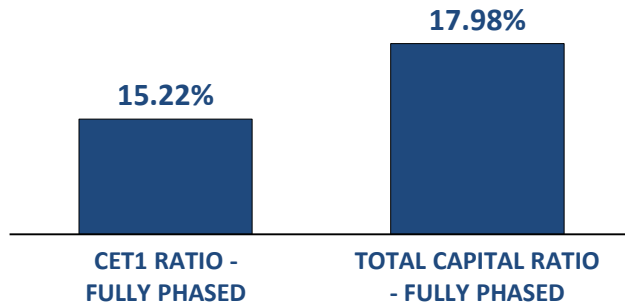
5.5%

TEXAS RATIO

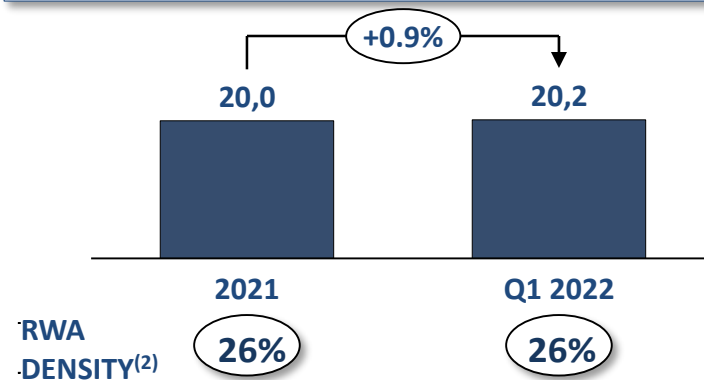
24%

CET 1 RATIO & TOTAL CAPITAL RATIO (%)

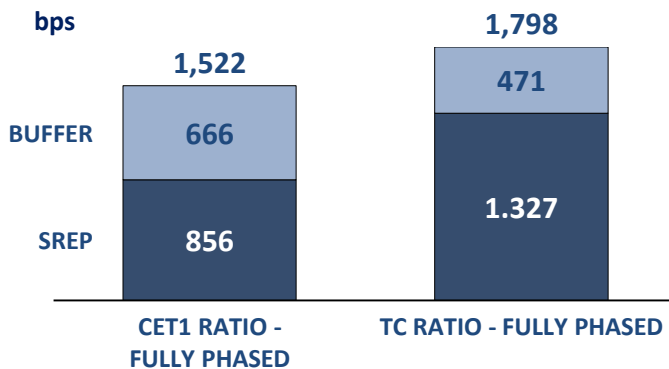
■ Q1 2022



RWA (€BN)



BUFFER OVER 2022 SREP REQUIREMENTS



2022 SREP REQUIREMENTS

TOTAL CAPITAL RATIO 13.27%

CET1 RATIO 8.56%

(1) 15.5% including the profit of the period for self-financing (subject to the Supervisory's approval)

(2) BPS individual management data as at 31/03/2022



Q1 2022 GOOD RESULTS SHOWING THE COMMERCIAL STRENGTH OF THE BANK:

- ➔ **VERY STRONG PERFORMANCE OF NII AND NF&C**
- ➔ **NO SIGN OF DETERIORATION IN ASSET QUALITY**
- ➔ **COMFORTABLE BUFFERS IN TERMS BOTH OF CAPITAL AND LIQUIDITY**

FOR MORE VISIBILITY ON MEDIUM-TERM TRENDS:

- ➔ **BUSINESS PLAN PRESENTATION IN JUNE 2022**



③ ANNEXES

KEY MILESTONES IN BPS HISTORY



FOUNDATION AS ONE OF
THE FIRST ITALIAN
COOPERATIVE BANKS

1871

ESTABLISHED BPS SUISSE
AND THE BPS BANKING
GROUP

1995

ENTRY AS A SIGNIFICANT
BANK IN THE ECB'S SSM

2014

TRANSFORMATION INTO
JOINT-STOCK COMPANY

2021

1991

LISTING ON THE
"RISTRETTO" MARKET OF
THE MILAN STOCK
EXCHANGE

2010

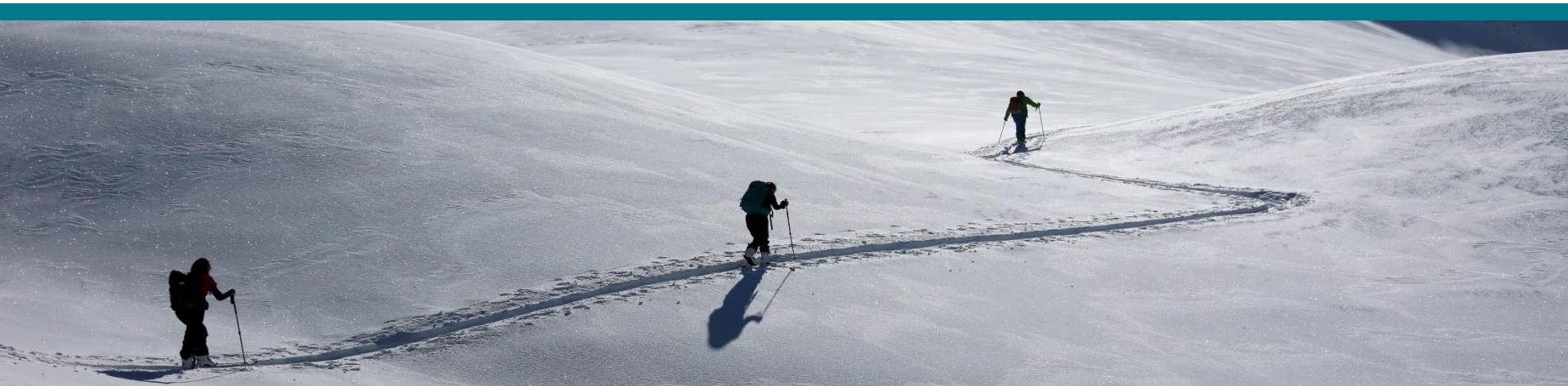
ACQUISITION OF THE
CONTROLLING STAKE OF
FACTORIT

2017

FULL ACQUISITION OF
BNT BANK

2022

FULL ACQUISITION
OF FACTORIT



COMMERCIAL NETWORK FOOTPRINT



Banca Popolare di Sondrio FOUNDED IN 1871

482 POINTS OF SALES:

- 350 BRANCHES
- 132 «TESORERIE» (LIGHT BRANCHES)

WITH A PRESENCE IN:

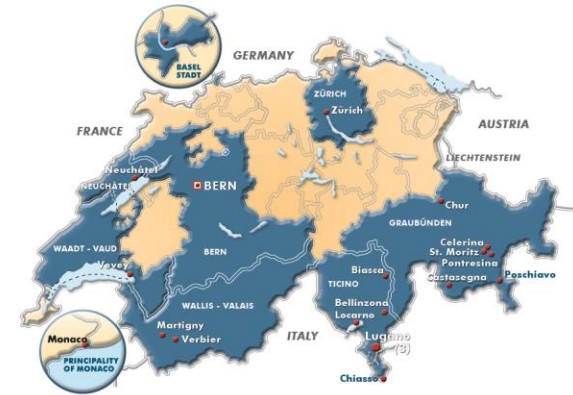
- 34 PROVINCIAS
- 8 REGIONS



BANKING GROUP'S EMPLOYEES: 3,393

Number of branches in the region

NOTE: Company's data as of 31/03/2022



BPS (SUISSE)

Banca Popolare di Sondrio (SUISSE)

OPERATING IN THE SWISS TERRITORY IT HAS 19 OFFICES IN 8 CANTONS, AS WELL AS THE REPRESENTATIVE OFFICE IN VERBIER, THE DIRECT BANKING VIRTUAL BRANCH IN LUGANO AND THE MONACO BRANCH OUTSIDE SWITZERLAND IN THE PRINCIPALITY OF THE SAME NAME

Factorit

6 branches offices in

- MILANO • TORINO • PADOVA • BOLOGNA • ROMA • PALERMO
- and a network of foreign correspondents in over 90 countries. Operating at Banca Popolare di Sondrio's branches and at its partner banks' counters.

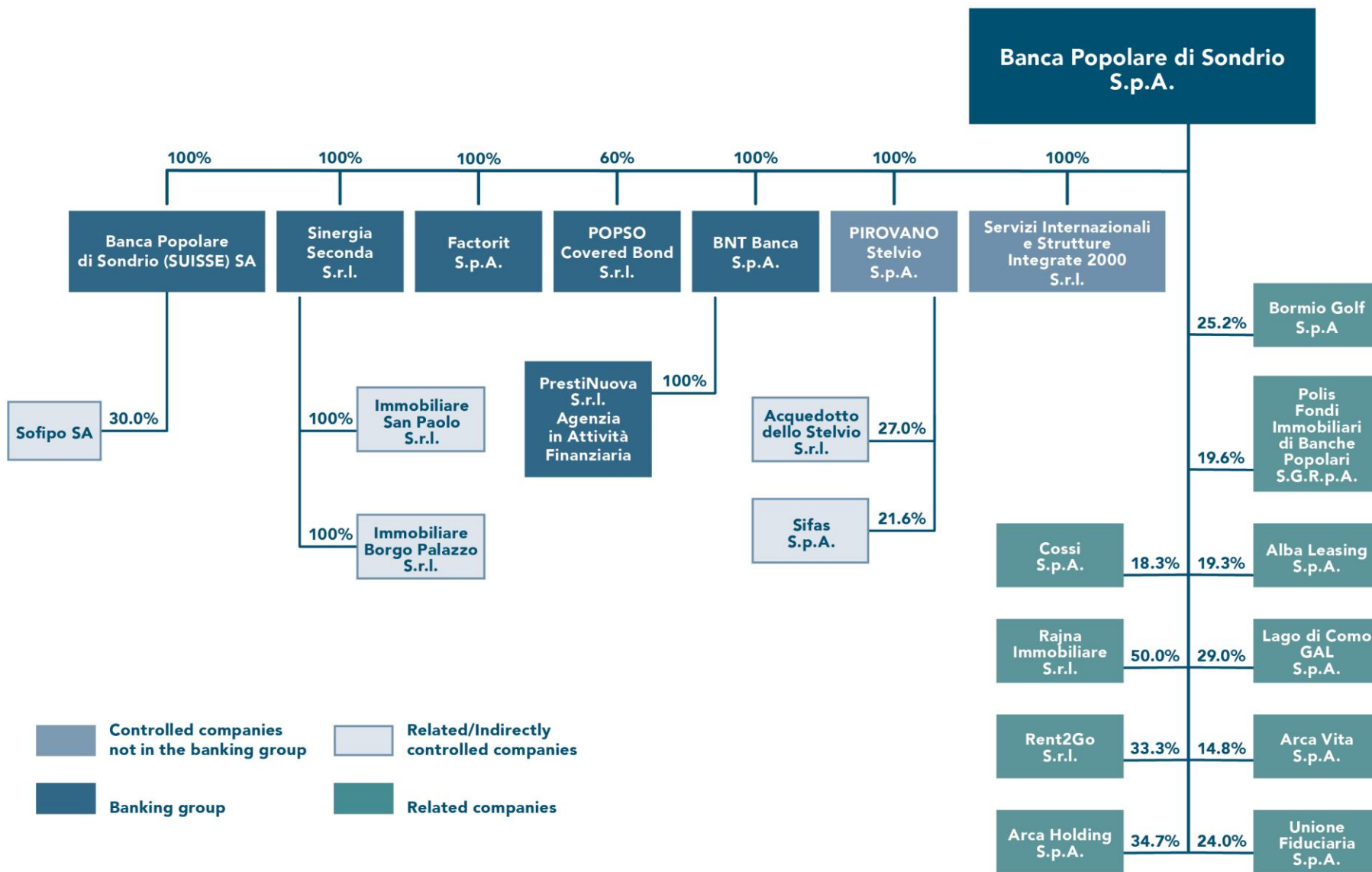
BNT BANCA
Banca della Nuova Terra

Offices in

- MILANO • PALERMO • CATANIA • CALTANISSETTA
- NAPOLI • PRATO • LAMEZIA TERME (CZ)

Operating at Banca Popolare di Sondrio's branches and at its partner banks' counters.

GROUP STRUCTURE



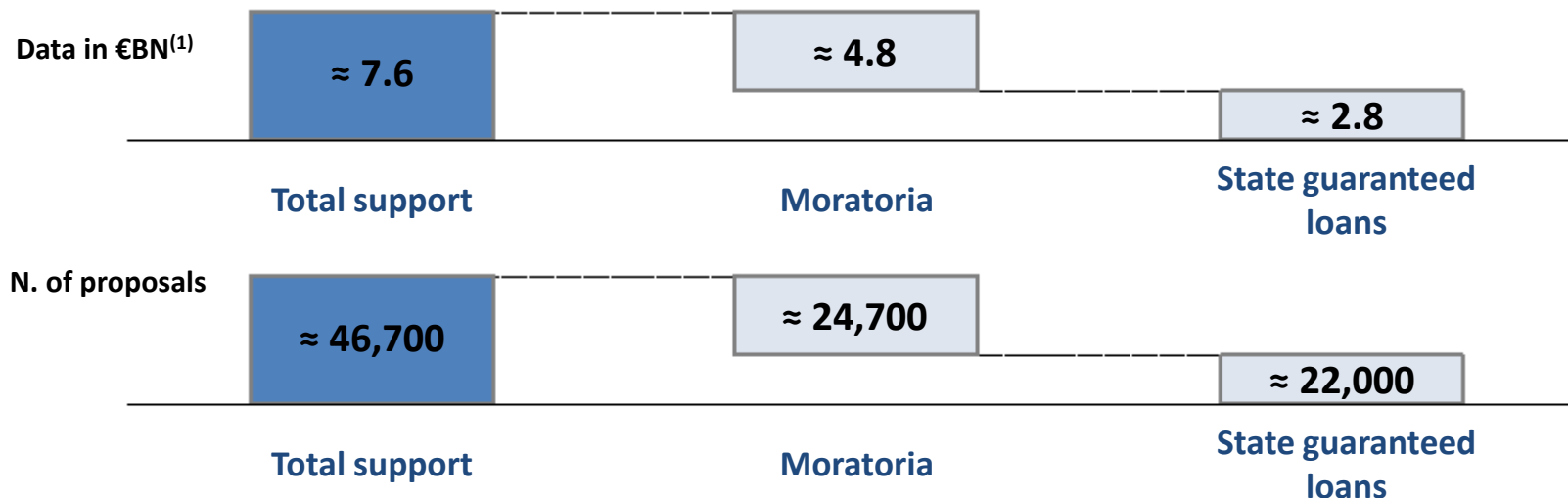
NOTE: Company's data as of 31/03/2022

OVERALL COVID-19 SUPPORTING MEASURES



BPS PLAYED AN ACTIVE ROLE IN SUPPORTING HOUSEHOLDS AND BUSINESSES BY:

1. **Guaranteeing operational continuity** both through the branch network and the online banking solutions developed over the years and further strengthened during the crisis.
2. **Granting loans** (disbursements as of 31/03/2022 of around 2.8 €BN of state guaranteed loans; around 22,000 finalized proposals).
3. **Granting moratoria** ('Cura Italia'/ABI/Ad hoc agreement) for around €4.8BN of residual debt, around 24,700 finalized proposals (c. 19% of the loan book).



(1) BPS individual cumulative figures

FINANCIAL STATEMENT: BALANCE SHEET ASSETS



THOUSANDS OF EUROS

ASSETS		31/03/2022	31/12/2021
10.	CASH AND CASH EQUIVALENTS	3,174,567	5,652,733
20.	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS	1,431,896	1,432,185
	a) financial assets held for trading	234,938	204,294
	b) financial assets designed at fair value	-	-
	c) financial assets mandatorily at fair value through profit or loss	1,196,958	1,227,891
30.	FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	2,846,759	3,102,150
40.	FINANCIAL ASSETS AT AMORTISED COST	43,852,168	42,717,673
	a) loans and receivables with banks	3,468,970	3,276,349
	b) loans and receivables with customers	40,383,198	39,441,324
50.	HEDGING DERIVATIVES	-	-
60.	FAIR VALUE CHANGE IN HEDGED FINANCIAL ASSETS (+/-)	-	-
70.	EQUITY INVESTMENTS	345,160	339,333
80.	TECHNICAL RESERVES OF REINSURERS	-	-
90.	PROPERTY, EQUIPMENT AND INVESTMENT PROPERTY	574,841	579,446
100.	INTANGIBLE ASSETS	31,492	31,013
	of which:		
	- goodwill	12,632	12,632
110.	TAX ASSETS	329,602	330,343
	a) current	1,510	8,658
	b) deferred	328,092	321,685
120.	NON-CURRENT ASSETS AND DISPOSAL GROUPS HELD FOR SALE	-	-
130.	OTHER ASSETS	1,151,823	831,273
TOTAL ASSETS		53,738,308	55,016,149

FINANCIAL STATEMENT: BALANCE SHEET LIABILITY & EQUITY



THOUSANDS OF EUROS

LIABILITY AND EQUITY		31/03/2022	31/12/2021
10.	FINANCIAL LIABILITIES AT AMORTISED COST	48,477,736	50,178,641
	a) due to banks	10,783,865	10,874,856
	b) due to customers	34,269,190	35,603,482
	c) securities issued	3,424,681	3,700,303
20.	FINANCIAL LIABILITIES HELD FOR TRADING	110,369	104,339
30.	FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE	-	-
40.	HEDGING DERIVATIVES	2,084	2,446
50.	FAIR VALUE CHANGE IN HEDGED FINANCIAL LIABILITIES (+/-)	-	-
60.	TAX LIABILITIES	41,726	39,872
	a) current	9,981	4,258
	b) deferred	31,745	35,614
70.	LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS	-	-
80.	OTHER LIABILITIES	1,453,459	986,522
90.	PROVISION FOR POST-EMPLOYMENT BENEFITS	40,319	40,190
100.	PROVISIONS FOR RISKS AND CHARGES:	293,842	289,062
	a) loans commitments and	45,929	43,225
	b) pensions and similar	191,502	191,565
	c) other provisions	56,411	54,272
110.	TECHNICAL RESERVES	-	-
120.	VALUATION RESERVES	6,520	32,437
121.	OF WHICH RELATED TO DISCONTINUED OPERATIONS	-	-
130.	REDEEMABLE SHARES	-	-
140.	EQUITY INSTRUMENTS	-	-
150.	RESERVES	1,858,243	1,555,718
155.	OF WHICH INTERIM DIVIDENDS	-	-
160.	SHARE PREMIUM	79,005	79,005
170.	SHARE CAPITAL	1,360,157	1,360,157
180.	TREASURY SHARES (-)	(25,456)	(25,457)
190.	EQUITY ATTRIBUTABLE TO MINORITY INTERESTS	4	104,583
200.	PROFIT (LOSS) FOR THE PERIOD (+/-)	40,300	268,634
TOTAL LIABILITIES AND EQUITY		53,738,308	55,016,149

FINANCIAL STATEMENT: INCOME STATEMENT



THOUSANDS OF EUROS

ITEMS	31/03/2022	31/03/2021
10. INTEREST AND SIMILAR INCOME	185,047	156,316
of which: interest calculated using the effective interest method	182,187	154,206
20. INTEREST AND SIMILAR EXPENSE	(28,857)	(27,055)
30. NET INTEREST INCOME	156,190	129,261
40. FEE AND COMMISSION INCOME	95,919	89,199
50. FEE AND COMMISSION EXPENSE	(4,457)	(4,411)
60. NET FEE AND COMMISSION INCOME	91,462	84,788
70. DIVIDENDS AND SIMILAR INCOME	238	794
80. NET TRADING INCOME	2,310	18,090
90. NET HEDGING INCOME	(61)	31
100. NET GAINS FROM SALES OR REPURCHASES OF:	14,844	10,911
a) financial assets at amortized cost	8,814	3,862
b) financial assets at fair value through other comprehensive income	6,030	7,075
c) financial liabilities	-	(26)
110. NET GAINS ON FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	(33,586)	3,098
a) financial assets and liabilities designated at fair value	-	-
b) other financial assets mandatorily measured at fair value	(33,586)	3,098
120. TOTAL INCOME	231,397	246,973
130. NET IMPAIRMENT LOSSES FOR CREDIT RISK RELATING TO:	(23,381)	(34,976)
a) financial assets at amortized cost	(23,269)	(34,953)
b) financial assets at fair value through other comprehensive income	(112)	(23)
140. NET GAINS FROM CONTRACTUAL CHANGES WITHOUT DERECOGNITION	(1,217)	(1,581)
150. NET FINANCIAL INCOME	206,799	210,416
160. NET INSURANCE PREMIUMS	-	-
170. OTHER NET INSURANCE INCOME (EXPENSE)	-	-
180. NET FINANCIAL INCOME AND INSURANCE INCOME	206,799	210,416
190. ADMINISTRATIVE EXPENSES:	(159,067)	(146,789)
a) personnel expenses	(66,565)	(67,329)
b) other administrative expenses	(92,502)	(79,460)
200. NET ACCRUALS TO PROVISIONS FOR RISKS AND CHARGES	(2,299)	8,384
a) commitments for guarantees given	(2,704)	7,666
b) other net provisions	405	718
210. DEPRECIATION AND NET IMPAIRMENT LOSSES ON PROPERTY, EQUIPMENT AND INVESTMENT PROPERTY	(8,843)	(9,154)
220. AMORTISATION AND NET IMPAIRMENT LOSSES ON INTANGIBLE ASSETS	(3,132)	(3,377)
230. OTHER NET OPERATING INCOME	16,985	18,850
240. OPERATING COSTS	(156,356)	(132,086)
250. SHARE OF PROFITS OF INVESTEEES	6,572	8,463
260. NET FAIR VALUE LOSSES ON PROPERTY, EQUIPMENT AND INTANGIBLE ASSETS MEASURED	-	-
270. GOODWILL IMPAIRMENT LOSSES	-	-
280. NET GAINS ON SALES OF INVESTMENTS	88	19
290. PRE-TAX PROFIT FROM CONTINUING OPERATIONS	57,103	86,812
300. TAXES ON INCOME FOR THE YEAR FOR CONTINUING OPERATIONS	(16,803)	(26,333)
310. POST-TAX PROFIT FROM CONTINUING OPERATIONS	40,300	60,479
320. POST-TAX PROFIT (LOSS) FROM DISCONTINUED OPERATIONS	-	-
330. NET PROFIT (LOSS) FOR THE PERIOD	40,300	60,479
340. NET (PROFIT) LOSS OF THE PERIOD ATTRIBUTABLE TO MINORITY INTERESTS	-	(1,220)
350. NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE OWNERS OF PARENT BANK	40,300	59,259
EARNINGS (LOSS) PER SHARE	0.089	0.131
DILUTED EARNINGS (LOSSES) PER SHARE	0.089	0.131

FINANCIAL STATEMENT: RECLASSIFIED INCOME STATEMENT



(in thousands of euro)	31/03/2022	31/03/2021	(+/-)	% change
Net interest income	156,190	129,261	26,929	20.83
Dividends and similar income	238	794	-556	-70.03
Net fee and commission income	91,462	84,788	6,674	7.87
Net gains on financial assets	-16,493	32,130	-48,623	-
Total income	231,397	246,973	-15,576	-6.31
Net impairment losses [a]	-27,302	-28,891	1,589	-5.50
Net financial income	204,095	218,082	-13,987	-6.41
Personnel expenses [b]	-66,477	-63,643	-2,834	4.45
Other administrative expenses	-92,502	-79,460	-13,042	16.41
Other net operating income [b]	16,897	15,164	1,733	11.43
Net accruals to provisions for risks and charges [a]	405	718	-313	-43.59
Depreciation and amortisation on tangible and intangible assets	-11,975	-12,531	556	-4.44
Operating costs	-153,652	-139,752	-13,900	9.95
Operating result	50,443	78,330	-27,887	-35.60
Share of profits of investees and net gains on sales of investments	6,660	8,482	-1,822	-21.48
Pre-tax profit from continuing operations	57,103	86,812	-29,709	-34.22
Income taxes	-16,803	-26,333	9,530	-36.19
Net profit (loss) for the period	40,300	60,479	-20,179	-33.37
Net (profit) loss of the period attributable to minority interests	0	-1,220	1,220	-
Net profit (loss) for the period attributable to the owners of Parent bank	40,300	59,259	-18,959	-31.99

Notes:

The result of financial activities is made up of the sum of items 80-90-100 and 110 in the income statement.

Net impairment losses is made up of the sum of items 130 and 140 in the income statement.

The results at 31/03/2022 have been subject to the following reclassifications:

[a] reclassified net provisions for credit risk for commitments and guarantees issued for 2.704 € million initially included in item net accruals to provisions for risks and charges [a] commitments for guarantees given] showing them among net impairment losses;

[b] a reclassification of personnel expenses and other operating income, netting them off against the proceeds of the retirement employees fund of 0.088 € million.

The results at 31/03/2021 have been made consistent with those of 2022.

LOANS TO CUSTOMERS NON PERFORMING AND PERFORMING EXPOSURES



31-03-2022

(in thousands of euro)	Gross exposure		Impairment losses	Net exposure		Coverage
Non performing exposures	(5.67%)	1,850,789	1,051,334	(2.54%)	799,455	56.80%
of which Bad loans	(2.33%)	759,949	568,218	(0.61%)	191,731	74.77%
of which Unlikely to pay	(3.15%)	1,026,995	474,277	(1.76%)	552,718	46.18%
of which Past due	(0.2%)	63,845	8,839	(0.17%)	55,006	13.84%
Performing exposures	(94.33%)	30,796,830	123,758	(97.46%)	30,673,072	0.40%
Total loans to customers	(100%)	32,647,619	1,175,092	(100%)	31,472,527	3.60%

31-12-2021

(in thousands of euro)	Gross exposure		Impairment losses	Net exposure		Coverage
Non performing exposures	(5.82%)	1,875,969	1,039,163	(2.69%)	836,806	55.39%
of which Bad loans	(2.29%)	736,657	544,367	(0.62%)	192,290	73.90%
of which Unlikely to pay	(3.34%)	1,074,758	485,596	(1.9%)	589,162	45.18%
of which Past due	(0.2%)	64,554	9,200	(0.18%)	55,354	14.25%
Performing exposures	(94.18%)	30,340,809	118,297	(97.31%)	30,222,512	0.39%
Total loans to customers	(100%)	32,216,778	1,157,460	(100%)	31,059,318	3.59%

RATINGS



Fitch Ratings

Rating updated on
1 September 2021

Long term: **BB+**
Short term: **B**
OUTLOOK: **STABLE**

Fitch Ratings		
	Long Term	Short Term
INVESTMENT GRADE	AAA	F1+
	AA+	
	AA	
	AA-	
	A+	F1 or F1+
	A	F1
	A-	F2 or F1
	BBB+	F2
	BBB	F3 or F2
	BBB-	F3
SPECULATIVE GRADE	BB+	B
	BB	
	BB-	
	B+	
	B	
	B-	
	CCC+	C
	CCC	
	CCC-	
	CC	
	C	
	RD	
D	RD	
	D	



Rating updated on
15 November 2021

Long term: **BBB (low)**
Short term: **R-2 (middle)**
OUTLOOK: **STABLE**

DBRS Morningstar		
	Long Term	Short Term
INVESTMENT GRADE	AAA	R-1 (high)
	AA (high)	
	AA	
	AA (low)	R-1 (mid)
	A (high)	R-1 (low)
	A	
	A (low)	
	BBB (high)	R-2 (high)
	BBB	R-2 (mid)
	BBB (low)	R-2 (low) or R-3
SPECULATIVE GRADE	BB (high)	R-4
	BB	
	BB (low)	
	B (high)	
	B	R-5
	B (low)	
	CCC	
	CC	
	C	
	D	
	D	

■ BPS ■ ITALY



Rating updated on
23 March 2022

Long term: **BBB-**
OUTLOOK: **POSITIVE**

Scope Ratings		
	Long Term	Short Term
INVESTMENT GRADE	AAA	S-1+
	AA+	
	AA	
	AA-	S-1+ or S-1
	A+	S-1 or S-2
	A	
	A-	
	BBB+	S-2
	BBB	S-2 or S-3
	BBB-	
SPECULATIVE GRADE	BB+	S-3
	BB	S-3 or S-4
	BB-	
	B+	S-4
	B	
	B-	
		CCC
		CC
		C
		D



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- ❑ *Pursuant the consolidated law on financial intermediation of 24 February 1998 (article 154-bis, paragraph 2), Maurizio Bertolotti, in his capacity as manager in charge of financial reporting declares that the accounting information contained in this Presentation reflects the group's documented results, financial accounts and accounting records.*



IL GRUPPO BANCARIO AL CENTRO DELLE ALPI



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