PRESS RELEASE

RESULTS AS AT 31 MARCH 2023

NET PROFIT € 265 MILLION (+49.2% YOY)

2023 PROFIT TARGET RAISED TO € 1.1 BILLION (WITH AN EPS OF € 0.75 COMPARED TO THE PREVIOUS GUIDANCE OF € 0.60) AND € 1.4 BILLION IN 2024, DOUBLED COMPARED TO 2022 (WITH AN EPS OF € 0.90 FROM € 0.75)

PLANNED DISTRIBUTION OF DIVIDENDS OF € 1.25 BILLION IN THE NEXT TWO YEARS, DOUBLE THAN THE TWO-YEAR PERIOD 2021-2022

- **NET INTEREST INCOME AT RECORD LEVELS: BETTER ABSOLUTE PERFORMANCE AT € 743 MILLION (+45.2% COMPARED TO THE FIRST QUARTER OF 2022 AND +2.6% COMPARED TO THE FOURTH QUARTER OF 2022)[1]**

- **INCOME BEFORE TAX FROM CONTINUING OPERATIONS[2]: € 474 MILLION, +18.8% COMPARED TO THE FIRST QUARTER OF 2022 AND +42.5% COMPARED TO THE FOURTH QUARTER OF 2022**

- **NET PROFIT AT € 265 MILLION (+49.2% COMPARED TO THE FIRST QUARTER OF 2022 AND +26.4% COMPARED TO THE FOURTH QUARTER OF 2022)**

- **COST/INCOME[3] FURTHER REDUCTION TO 51.2% (52.7% IN THE FIRST QUARTER OF 2022 AND 51.8% IN THE FOURTH QUARTER OF 2022)**

---

[1] For a correct interpretation of the comparisons with the economic data of the previous quarters compared, please refer to the paragraph "Application of IFRS 17 Insurance contracts" of the Explanatory Notes.
[2] This interim result does not include banking industry charges of -€ 57.3 million, the accounting effects of the Purchase Price Allocation (PPA) of -€ 7.4 million, or the effects of the change in its creditworthiness on the certificate issues, equal to +€ 3.3 million. These components are stated, net of taxes, in separate items of the reclassified income statement.
[3] Calculated as the ratio of operating expenses to operating income resulting from the reclassified income statement.

NET NPE RATIO AT 2.1%[4] (1.9% IF CALCULATED ACCORDING TO THE EBA METHODOLOGY)[5]

COST OF RISK[6] AT 51 BPS MAINTAINING SOLID COVERAGE OF NON-PERFORMING LOANS AT 51.4% COMPARED TO 50.6% AT THE END OF 2022

CORE NET PERFORMING LOANS[7] AT € 102.3 BILLION (+1.0% YOY)

NEW LOANS TO CUSTOMERS OF € 5.2 BILLION[8]

BANK DIRECT FUNDING AT € 123.2 BILLION, STABLE COMPARED TO THE END OF 2022

INDIRECT FUNDING OF € 95.6 BILLION, UP COMPARED TO € 91.3 BILLION AS AT 31 DECEMBER 2022

FURTHER STRENGTHENING OF CAPITAL RATIOS[9]: CET 1 RATIO[10] AT 14.15% AND MDA BUFFER[11] AT 544 BPS

SOLID LIQUIDITY POSITION: LCR AT 199%, NSFR AT 130% AND CASH AND UNENCUMBERED ASSETS AT € 40.7 BILLION[12]

STRENGTHENING OF THE BUSINESS MODEL

THE INTEGRATION OF BANCASSURANCE CONTINUES:

[4]Ratio of net non-performing exposures to total exposures relating to the balance sheet item "Loans to customers measured at amortised cost".
[5] Methodology used by the EBA for the presentation of data in the context of the EU Transparency Exercise.
[6] Calculated as the ratio of net value adjustments on loans to total on-balance sheet exposures to customers net of value adjustments.
[7] Mortgages, loans, current accounts and personal loans.
[8] Management data.
[9] Data calculated by considering the positive effect deriving from the future application of the Danish Compromise (see note 13); the CET 1 ratio as at 31 March 2023 stood at 13.6% and the MDA buffer stood at 486 basis points (the actual data as at 31 March 2023 are also identified below for the sake of brevity with the name "stated"). For more details on the calculation methods for capital ratios, please refer to point 6 of the Explanatory Notes of this press release.
[10] Starting from 1 January 2023, as all the transitional rules that extended certain impacts on the calculation of capital ratios have expired, these ratios are calculated by fully applying the regulatory rules. Therefore, the distinction made in past periods between "phased-in" and "fully phased" ratios is no longer relevant.
[11]Difference between the Total capital ratio (ratio of own funds to risk-weighted assets) measured as at 31 March 2023 (including the profit being created net of the expected dividend pay-out) and the corresponding level of the minimum regulatory requirement for 2023, including the Pillar 2 Requirement (P2R).
[12] Management data.

- **RECOGNISED BY THE ECB THE NECESSARY FINANCIAL CONGLOMERATE STATUS TO OBTAIN THE BENEFITS DERIVING FROM THE APPLICATION OF THE DANISH COMPROMISE[13], UNDER ASSESSMENT BY THE COMPETENT AUTHORITIES**
- **AGREEMENT SIGNED IN DECEMBER 2022 FOR A STRATEGIC PARTNERSHIP WITH CREDIT AGRICOLE ASSURANCES IN THE NON-LIFE/PROTECTION BUSINESS**
- **COMPLETION OF THE ACQUISITION OF CONTROL OF THE VERA VITA AND VERA ASSICURAZIONI COMPANIES PLANNED FOR THE SECOND HALF OF 2023**

LAUNCH OF THE PROJECT FOR THE ENHANCEMENT OF THE VALUE OF THE E-MONEY BUSINESS (WITH A TOTAL VALUE POTENTIAL OF OVER € 2 BILLION IN TERMS OF NPV), AIMED AT DEFINING A POTENTIAL PARTNERSHIP WITH A LEADING MARKET OPERATOR, WHICH WILL HAVE AS ITS OBJECT BOTH MERCHANT ACQUIRING AND POS MANAGEMENT AND THE ISSUING AND DISTRIBUTION OF PAYMENT CARDS

CONTINUOUS PROGRESS IN THE INTEGRATION OF ESG ISSUES:

- **IN MARCH 2023, PARTICIPATION IN THE NET ZERO BANKING ALLIANCE (NZBA) PROMOTED BY THE UNITED NATIONS, WITH IDENTIFICATION OF THE PRIORITY SECTORS**
- **CONSTANT IMPROVEMENT OF THE BANK'S ESG RATINGS: THE MSCI ASSESSMENT WENT FROM "BBB" TO "A" (MARCH 2023); CONFIRMED THE PRESENCE IN THE BLOOMBERG GENDER EQUALITY INDEX WITH A SCORE THAT IMPROVED BY ALMOST 6 POINTS (79.7 VS 73.9 PREVIOUSLY)**
- **NEW ISSUE OF A € 750 MILLION SENIOR GREEN BOND IN JANUARY 2023; WITH EURO 3.3 BILLION IN TOTAL OF GREEN AND SOCIAL ISSUES IN THE PERIOD 2021 - JANUARY 2023, THE 2021-2024 STRATEGIC PLAN GOAL HAS ALREADY BEEN EXCEEDED**
- **GOVERNANCE ON THE ESG FRONT FURTHER STRENGTHENED: ESTABLISHMENT OF THE SUSTAINABILITY BOARD COMMITTEE WITH THE AIM TO SUPERVISE THE BANK'S SUSTAINABILITY GOALS, IN COORDINATION WITH THE INTERNAL CONTROL AND RISK COMMITTEE**

---

[13] On 7 March 2023, the Banco BPM Group obtained the status of financial conglomerate as defined by Art. 3 of Italian Legislative Decree no. 142 of 30 May 2005. This recognition represents the condition for being able to submit the request for the application of art. 49 (1) of Regulation (EU) no. 575/2013 (CRR). After this application was made, Banco BPM expects to obtain authorisation to not have to deduct the book value of the interest in Banco BPM Vita from CET 1 Capital. In this instance, the equity interest not deducted from own funds will be considered an exposure to credit risk to be weighted in compliance with the CRR.

During the first quarter, in a more reassuring macroeconomic scenario with regard to growth compared to the forecasts formulated in the latter part of 2022, despite the presence of elements of uncertainty, the Group's commercial and organisational efforts resulted in positive trends in operating results and excellent profitability. In particular, the interest margin showed excellent performance and reached the highest level ever recorded, amounting to € 743 million, with growth of 2.6% compared to the fourth quarter of 2022 and 45.2% YoY.

Profit (loss) before tax from continuing operations rose to € 474 million against € 333 million in the fourth quarter of 2022 with an increase of 42.5%. Net profit for the quarter stood at € 265 million, with growth of 26.4% compared to Q4 2022.

The balance sheet figures confirm the significant results achieved:

- ***net "core" performing loans (which include mortgages, loans, current accounts and personal loans) stood at € 102.3 billion, with a 1.0% increase YoY;***
- ***direct funding amounted to € 123.2 billion, essentially stable compared to the end of 2022;***
- ***indirect funding amounted to € 95.6 billion, up by more than € 4 billion compared to 31 December 2022.***

With regard to non-performing loans, the derisking strategy implemented by the Group in previous years made it possible to achieve a further decrease in the non-performing loans, whose incidence on total gross loans decreased to 4.2% from 5.5% as at 31 March 2022. The cost of credit, constantly decreasing to 51 bps compared to 62 bps at the end of 2022, represents the lowest level recorded since the establishment of the Banco BPM Group, even though guaranteeing significant levels of coverage, which have increased compared to year-end 2022.

The equity position remained very solid[14]:

- ***CET1 Ratio at 14.15%;***
- ***MDA buffer at 544 basis points.***

Key balance sheet items

- Net loans to customers € 107.8 billion: -2.8% YoY (of which performing loans -2.1% and non-performing loans -26.6% compared to 31 March 2022) and -1.6% compared to 31 December 2022 (of which performing loans -1.5% and non-performing loans -3.4%);

[14] See note 9.

- Direct funding from customers in the amount of € 123.2 billion[15]: -2.3% YoY and -0.2% compared to the end of December 2022; core funding at € 101.3 billion (-5.2% YoY and -2.3% compared to the end of 2022);
- Indirect funding[16] from customers equal to € 95.6 billion: stable on a YoY basis and +4.6% compared to 31 December 2022, of which:
  - asset management € 60.1 billion;
  - asset administration € 35.5 billion.

Key income statement items

- Net interest income € 743.0 million against € 511.5 million in 2022 Q1 and € 724.0 million in 2022 Q4;
- Net fee and commission income € 478.7 million against € 480.1 million in 2022 Q1 and € 447.3 million in 2022 Q4;
- Operating expenses € 640.0 million against € 624.7 million as at 31 March 2022 and € 651.4 million in 2022 Q4;
- Profit from operations € 610.3 million against € 561.2 million as at 31 March 2022 and € 605.7 million in 2022 Q4;
- Net adjustments to customer loans € 137.5 million against € 151.1 million in 2022 Q1 and € 184.7 million in 2022 Q4;
- Profit (loss) before tax from continuing operations[17] equal to € 474.2 million against € 399.1 million in 2022 Q1 and € 332.7 million in 2022 Q4;
- Profit (loss) before tax from continuing operations net of non-recurring items[18] equal to € 481.5 million, against € 431.1 million in 2022 Q1 and € 395.8 million in 2022 Q4;
- Net profit (loss) equal to € 265.3 million compared to € 177.8 million in 2022 Q1 and € 209.9 million in 2022 Q4;
- Net profit (loss) net of non-recurring items € 270.5 million, against € 199.2 million in 2022 Q1 and € 251.7 million in 2022 Q4.

Equity position[19]**:**

- Stated CET 1 ratio 13.57% (12.83% as at 31 December 2022);
- MDA buffer on stated *TCR* 486 basis points.

[15] Direct bank funding includes certificates with unconditional capital protection (€ 4.8 billion as at 31 March 2023 compared to € 4.3 billion at the end of 2022), and excludes short-term repurchase agreements.
[16] Management data net of certificates with unconditional capital protection included under "direct funding".
[17] See note 2.
[18] Amount net of non-recurring items as indicated in section 5 of the Explanatory Notes to this press release.
[19] For more details on the calculation methods for capital ratios, please refer to point 6 of the Explanatory Notes of this press release.

Credit quality

- Stock of net non-performing loans equal to € 2.3 billion: -3.4% compared to the end of 2022 and -26.6% YoY
- *Coverage:*
  - Bad loans: 64.9% (64.8% as at 31 December 2022 and 61.9% as at 31 March 2022); also considering write-offs, the coverage stands at 72.2%;
  - Unlikely to pay loans: 40.8% (40.3% as at 31 December 2022 and 44.4% as at 31 March 2022);
  - Total non-performing loans: 51.4% (50.6% as at 31 December 2022 and 50.4% as at 31 March 2022); also considering write-offs, the coverage stands at 56.5%;
- Texas Ratio[20] further improved to 18.6% compared to 20.3% at the end of 2022 and 26.1% as at 31 March 2022.

Liquidity profile

- Liquidity at € 40.7 billion (cash + unencumbered assets);
- TLTRO III at € 26.7 billion;
- LCR 199% and NSFR 130%.[21]

Milan, 8 May 2023 - At today's meeting under the chairmanship of Mr Massimo Tononi, the Board of Directors of Banco BPM approved the balance sheet and income statement as at 31 March 2023 of the Banco BPM Group.

The first quarter of 2023 was characterised by a more reassuring macroeconomic scenario in terms of growth compared to forecasts for the end of 2022 even though elements of uncertainty remain, partly due to inflationary dynamics and the consequent repercussions on the international economic system and on business operations.
In that context, the Group reported profit before tax from continuing operations of € 474.2 million, which is the best quarterly result ever, and a net profit of € 265.3 million. Excluding non-recurring items, net profit amounts to € 270.5 million.

During the quarter, the Group continued with the process of integrating the insurance business started last year with the acquisition of control of the companies Banco BPM Vita and Banco BPM Assicurazioni and with the finalisation of an agreement with Crédit Agricole Assurances for the launch of a commercial partnership in the Non-Life/Protection sector.
On 7 March 2023, the Banco BPM Group obtained recognition from the European Central Bank of the status of financial conglomerate pursuant to Directive 2002/87/EC, which was the pre-condition needed to access the benefits of the prudential treatment of equity investments deriving from the

[20] The Texas Ratio is the ratio of the net value of non-performing loans to the Group's tangible equity (net of the related tax effects).
[21] Management data.

application of the so-called "Danish Compromise", currently under evaluation by the competent Authorities.[22]
The acquisition from Cattolica Assicurazioni of the control of the companies Vera Vita and Vera Assicurazioni is expected to be completed in the second half of the year.

It should also be noted that after the end of the quarter, on 18 April, Banco BPM resolved to proceed with a project for the enhancement of the e-money business, through the development of a potential partnership with a leading market operator, which will have as its objective both Merchant Acquiring and POS management and the Issuing and distribution of payment cards.
In this context, the guidelines of the partnership to be developed are as follows:

- signing of a long-term exclusive distribution agreement that includes both the issuing and merchant acquiring businesses;
- preservation of the reference running commission levels;
- collection of an upfront portion including benefits in terms of capital;
- provision of mechanisms aimed at allowing the Bank to further extract value from prospective growth.

As part of the NPL management strategy, additional sales of over € 700 million were planned over the term of the plan, with a clear benefit on the stock of gross non-performing loans and the credit quality indicators.[23]

In terms of funding transactions, in January the Group successfully completed a new issue of Green Senior Preferred securities intended for institutional investors for an amount of € 750 million, with a maturity of four years.
The bond, which is part of the Euro Medium Term Notes Programme, is aimed at financing and/or refinancing Eligible Green Loans as defined in the Bank's Green, Social and Sustainability Bond Framework.

During the first quarter, Banco BPM also finalised an own share purchase programme of 2,418,855 own shares (equal to 0.16% of the ordinary shares outstanding) and a total value of € 10 million to serve the short-term and long-term employee incentive plan. After that programme had been completed, and also taking into account the other own shares already in the portfolio, Banco BPM directly holds 8,578,335 own shares, equal to 0.57% of the share capital.

On 20 April 2023, the Shareholders' Meeting approved the 2022 financial statements and the distribution of a dividend of 23 cents per share. In addition, the Shareholders' Meeting appointed the members of the Board of Directors and the Board of Statutory Auditors who will remain in office for the financial years 2023-2024-2025.

Subsequently, on 26 April 2023, the Board of Directors appointed the Chief Executive Officer, Giuseppe Castagna, and the members of the Board Committees, establishing an ad hoc ESG committee called the Sustainability Committee, an activity that was carried out previously by the Internal Control, Risks and Sustainability Committee, now renamed as the Internal Control and Risks Committee.

[22] See note 13.
[23] The economic impacts expected from the afore-mentioned amount of transfers have already been considered when assessing the receivables.

Economic performance of operations

Net interest income amounted to € 743.0 million, up by 45.2% compared to the figure in the first quarter of 2022 (€ 511.5 million), mainly due to the increase in commercial spreads resulting from the increase in interest rates and the limited impact on the cost of deposits.
Compared to the fourth quarter of 2022, the interest income shows a growth of 2.6%, mainly attributable to the development of commercial activities, which more than offset the lower number of calendar days and the loss of benefits relating to the remuneration of TLTRO loans.

The **gains (losses) on interests in associates and joint ventures carried at equity** was equal to € 36.3 million, compared to the figure of € 49.6 million for the corresponding period of the previous year and € 34.8 million for the fourth quarter of 2022.
The main contribution to the item in question was provided by consumer credit channelled from the equity interest held in Agos Ducato, equal to € 22.4 million, up compared to € 24.4 million in the first quarter of 2022, as well as the contribution of the associated company Anima Holding, equal to € 5.6 million (€17.3 million in the first quarter of 2022 which however included the economic result achieved by the subsidiary in the final quarter of 2021, equal to € 11.8 million).

Net fee and commission income in the first quarter amounted to € 478.7 million, essentially stable compared to the corresponding period of the previous year but up by 7.0% compared to the fourth quarter of 2022 due to the performance recorded in the brokerage management services and consulting segment (+12.8%) and commercial banking services (+2.4%).

Other net operating income amounted to € 16.9 million compared to € 16.7 million in the first quarter of 2022 and € 19.5 million in the fourth quarter of 2022.

The **net financial result**[24] in the first quarter was negative and equal to -€ 34.1 million compared to the positive figure of € 127.9 million recorded as at 31 March 2022.
The different contribution is justified by the lower contribution of profits from the sale of securities (-€ 49.9 million), the higher cost of deposits through certificates following the rise in rates, the CVA / DVA impact[25] (-€ 30.8 million) and the different contribution of derivative trading and operations, partially offset by the different impact of the valuation of the Nexi shareholding.
The comparison with the fourth quarter of 2022, which showed a negative result of -€ 9.0 million could be explained by the effects of the management hedging strategy of the portfolio of securities measured at fair value with an impact on comprehensive income, whose negative contribution to the income statement for the quarter was more than offset by the increase in the valuation reserves directly recognised in equity.

The **profit (loss) on the insurance business** was € 9.6 million. That item comprises the contribution for the first quarter of 2023 of the insurance companies Banco BPM Vita and Banco BPM Assicurazioni, following the acquisition of control over them starting from 1 July last year.[26]

[24] The item does not include the accounting effect of the change in the creditworthiness in regard to the fair value measurement of its own certificate issues, which led to the recognition of a positive impact of € 4.6 million in the quarter, compared to € +0.3 million recorded as at 31 March 2022 and the negative impact of -€ 30.6 million in 2022 Q4. This effect is shown, net of taxes, in a separate item of the reclassified income statement.
[25] The CVA expresses the portion of the financial assets valuation (fair value) that may not be paid to the bank by the counterparty in the event of default of the latter. The DVA expresses the portion of financial liabilities (fair value) that may not be paid by the bank to the counterparty in the event of bank default.
[26] The result of the insurance business for the first quarter of 2023 is not comparable either with the first quarter of 2022 (as control of the insurance companies was acquired at the beginning of the third quarter), nor with the third and fourth quarter of 2022 as a result of the application of IFRS 17 from 1 January 2023 (for more information, please refer to the paragraph "Application of IFRS 17 Insurance contracts" of the explanatory notes).

Due to the trends described, total **operating income** was equal to € 1,250.3 million, up compared to the € 1,185.9 million reported in the corresponding period of the previous year (+5.4%); the comparison with the figure of € 1,257.0 million for the fourth quarter of 2022 (- 0.5%) was substantially stable.

Personnel expenses, amounting to € 405.4 million, decreased by 0.6% compared to € 407.9 million in the first quarter of 2022, but were up by 2.6% compared to € 395.2 million in the fourth quarter of 2022, which also included the positive impact of non-recurring components for a total of € 11.9 million. On a like-for-like basis, personnel costs recorded a slight decrease compared to the fourth quarter of 2022. The total number of employees was 20,093 as at 31 March 2023 (of which 141 pertaining to the insurance companies), compared to 20,157 resources employed as at 31 December 2022 (of which 143 pertaining to the insurance companies)[27].

Other administrative expenses[28], equal to € 170.2 million, are up 9.4% on the figure for the first half of 2022, equal to € 155.6 million, also due to the inflationary trends under way, which specifically impacted energy consumption. In comparison with the fourth quarter of 2022, equal to € 171.5 million, the aggregate in question recorded a decrease of 0.7%.

Net value adjustments to property, plant and equipment and intangible assets were equal to € 64.5 million, compared with the figure of € 61.2 million in the first quarter of 2022 and € 84.7 million in the fourth quarter of 2022, which included impairment for € 7.1 million.

Total **operating expenses** therefore amounted to € 640.0 million, up by 2.5% compared to € 624.7 million in the first quarter of 2022, but down 1.7% compared to the fourth quarter of 2022.

The **cost income ratio** in the quarter came to 51.2%, lower compared to both 51.8% in the first quarter of 2022 and the figure relating to all of 2022 (54.0%).

The **profit from operations** for the first quarter was € 610.3 million, up 8.7% compared to € 561.2 million in the corresponding period of the previous year and 0.8% compared to the figure of € 605.7 million in the fourth quarter of 2022.

Net adjustments to loans to customers in the first quarter, equal to € 137.5 million, showed a 9.0% decrease on the figure as at 31 March 2022 (-25.6% on the fourth quarter of 2022).
As at 31 March 2023, the cost of credit, measured by the ratio between the net write-downs of loans and the net loans, amounts to 51 basis points, which represents the lowest level recorded by Banco BPM since 2017 (creation of the new Group following the merger between the former Banco Popolare and the former Banca Popolare di Milano).
This result was achieved by safeguarding the solid levels of coverage achieved in previous periods.

The **fair value gains (losses) on property, plant and equipment** as at 31 March 2023 came to -€ 1.9 million (-€ 1.2 million in the first quarter and -€ 60.0 million in the fourth quarter of 2022).

The item **net adjustments to securities and other financial assets** includes net gains of +€ 0.7 million (-€ 3.2 million as at 31 March and -€ 0.5 million in the fourth quarter of 2022).

---

[27] As at 31 December 2021 the number of employees was 21,663.
[28] The aggregate does not include the "systemic charges", represented by the contributions to the Single Resolution Fund, reported in a separate item of the reclassified income statement, net of the relative tax.

Net provisions for risks and charges in the first quarter showed a recovery in value of +€ 2.4 million (-€ 8.1 million as at 31 March and -€ 28.2 million in the fourth quarter of 2022).

As at 31 March 2023, there were no **gains on the disposal of equity investments and investments** of a significant amount. In the first quarter and in the fourth quarter of 2022, the item in question amounted to € +1.5 million and € +0.5 million, respectively.

Due to the trends described, the **profit before tax from continuing operations** was equal to € 474.2 million compared to € 399.1 million in the first quarter of 2022.

The **taxation charge related to profit or loss from continuing operations** was equal to -€ 147.4 million (-€ 138.4 million in the first quarter of 2022).

Profit (loss) after tax from continuing operations therefore was equal to € 326.8 million, a 25.4% increase compared to € 260.6 million in the first quarter of 2022 and 36.5% compared to € 239.3 million in the fourth quarter of the previous year.

The income statement for the period included **charges related to the banking system, net of taxes** equal to € 57.3 million (€ 74.6 million in the first quarter of 2022), consisting of the estimate of the ordinary contribution to pay to the Single Resolution Fund (SRF) (€ 84.9 million before tax, against € 110.5 million as at 31 March 2022).

In the quarter, the **change in own creditworthiness on Certificates issued by the Group, net of taxes**, generated a positive impact of € 3.3 million (€ 4.9 million before taxes), compared to the charge of +€ 0.2 million in the first quarter of 2022 (+€ 0.3 million before taxes). In the fourth quarter of 2022, the impact was negative and amounted to -€ 20.5 million (-€ 30.6 million gross of tax effects).

As at 31 March 2023, the impact of the **Purchase Price Allocation net of taxes** was equal to -€ 7.4 million, against -€ 8.5 million and € -9.4 million respectively in the first and fourth quarters of 2022.[29]

Considering the share of profit attributable to non-controlling interests, the first quarter of 2023 closed with a **net profit for the period** equal to € 265.3 million (€ 177.8 million as at 31 March 2022 and €209.9 million in the fourth quarter of 2022).

The **figure net of non-recurring items** for the first quarter was equal to € 270.5 million.

Changes in key balance sheet items

Direct bank funding[30] as at 31 March 2022 amounted to € 123.2 billion, down by 0.2% compared to 31 December 2022 and by 2.3% compared to 31 March 2022.
More specifically, over the quarter, there was a decrease of € 2.4 billion in the segment represented by the current accounts and deposits (-2.3%). This trend is to be read together also with the growth in net inflows from indirect customer funds and certificates, which amounted to a total of € 2.4

[29] The impact of the first quarter of 2023 is not immediately comparable with those of the third and fourth quarters of 2022 due to the first-time adoption of IFRS 17. The data of the quarterly contributions for the year 2022 have not been redetermined.
[30] The aggregate includes demand and term deposits and current accounts, bonds issued, certificates of deposit and other securities, loans and other debts, and protected capital certificates and excludes short-term repurchase agreements.

billion[31]. As regards bonds issued, the stock as at 31 March came to € 14.9 billion, with an increase of € 2.0 billion compared to 31 December 2022, due to new issues during the quarter, which exceeded the redemptions of securities that had matured.
Funding guaranteed by the stock of certificates with unconditional capital protection as at 31 March 2023 was € 4.8 billion, up on the figure of € 4.3 billion as at 31 December 2022 and € 3.6 billion as at 31 March 2022.

Starting in the third quarter of 2022, the aggregate comprising financial and insurance liabilities of the insurance companies, recorded under the item **Insurance Direct Funding and Insurance liabilities**, , in the amount of € 5.9 billion, stable compared to 31 December 2022.

Indirect funding, net of protected capital certificates, was equal to € 95.6 billion, substantially stable YoY.[32] The comparison with 31 December 2022 shows an increase of 4.6%, equal to an increase of € 4.3 billion compared to the end of the year.
The component of managed funding was equal to € 60.1 billion, an increase compared to the figure of € 59.4 billion as at 31 December 2022 (+1.1%), due to the higher contribution of funds and SICAVs; income relating to the portfolio management and bancassurance sectors was stable.
Administered assets reached € 35.5 billion, an increase of € 3.6 billion (+11.2%) compared to the end of 2022.
On an annual basis, managed assets decreased by 5.0%, mainly due to the lower contribution of funds and SICAVs (-€ 3.1 billion), while the administered asset component increased by 9.9%.

Financial assets from the banking segment were equal to € 43.9 billion, up by 7.9% compared to € 43.1 billion as at 31 December 2022; the increase was mainly concentrated in debt securities (+€ 1.2 billion) and, in particular, in the segments of securities at amortised cost and securities measured at fair value through other comprehensive income. As at 31 March 2023, the aggregate in question consisted of debt securities for € 36.2 billion, equity instruments and UCITS units for € 3.3 billion and derivative instruments and other loans for € 4.4 billion. Holdings of debt securities issued by sovereign states were equal to € 30.8 billion, of which € 11.6 billion represented by Italian government securities. Investments in Italian government securities are classified under financial assets at amortised cost for € 9.3 billion and in the portfolio of financial assets measured at fair value through other comprehensive income for € 2.3 billion.

The item **financial assets pertaining to insurance companies** includes the contribution as at 31 March 2023 of the insurance companies Banco BPM Vita and Banco BPM Assicurazioni for a total of € 6.0 billion (€ 5.9 billion as at 31 December 2022).

Net **loans to customers**[33] amounted to € 107.8 billion as at 31 March 2023, down by € 1.7 billion compared to 31 December 2022. . The decrease refers to both *performing* exposures (-1.5%) and *non-performing* exposures (-3.4%). On an annual basis, loans recorded a reduction of € 3.1 billion (-2.8%), deriving from a € 2.3 billion reduction in performing exposures (-2.1%) and non-performing loans of € 0.8 billion (-26.6%). The volume of new disbursements to households and businesses amounted to € 5.2 billion in the quarter. [34]

---

[31] Managerial data.
[32] Managerial data.
[33] The aggregate does not include loans to customers which, following the application of IFRS 9, are mandatorily measured at fair value. These loans, amounting to € 0.5 billion, are included among the financial assets measured at fair value.
[34] Managerial data.

Net non-performing loans (bad loans, unlikely to pay and past due and/or overdue exposures) amounted to € 2.3 billion as at 31 March 2023.
An examination of the components of the aggregate shows the following dynamics:

- net bad loans of € 0.7 billion, stable compared to 31 December 2022 and down by 13.5% compared to 31 March 2022;
- net unlikely to pay loans of € 1.5 billion, down by 5.2% compared the start of the year and 32.5% compared to 31 March 2022;
- net past due exposures equal to € 48 million (€ 60 million as at 31 December 2022 and € 39 million as at 31 March 2022).

The percentage of non-performing exposures out of total loans, gross of value adjustments came to 4.2%, unchanged compared to the start of the year and down 5.5% compared to 31 March 2022.

The coverage rate for the entire non-performing loans aggregate rose to 51.4% (50.6% as at 31 December 2022 and 50.4% as at 31 March 2022).
More specifically, as at 31 March 2023, the coverage ratio was as follows:

- bad loans 64.9% (64.8% as at 31 December 2022 and 61.9% as at 31 March 2022);
- Unlikely to pay loans: 40.8% (40.3% as at 31 December 2022 and 44.4% as at 31 March 2022);
- Past due exposures 25.1% (26.9% as at 31 December 2022 and 26.3% as at 31 March 2022).

The coverage ratio of performing loans came out at 0.40%, compared to 0.39% as at 31 December 2022 and 0.42% as at 31 March 2022.

Group capital ratios[35]

Capital ratios as at 31 March 2023 can be defined as "fully phased" as they do not benefit from any transitional provision of the regulations.[36]

The stated Common Equity Tier 1 ratio stood at 13.57%, against 12.83% as at 31 December 2022. The increase is due to both the growth in regulatory capital (due to the inclusion of the result for the quarter net of the dividends expected to be distributed, the increase in valuation reserves of financial assets measured at fair value through other comprehensive income and lower deductions linked to deferred tax assets and significant equity investments), and to the decrease recorded in risk-weighted assets.
Including the positive effect of the expected future application of the Danish Compromise, for which a request has already been submitted, the Common Equity Tier 1 ratio of the Group as at 31 March 2023 would be 14.15% (from 13.34% as at 31 December 2022).[37]

The stated Tier 1 ratio was equal to 15.91% against 15.15% as at 31 December 2022, while the stated Total Capital ratio was equal to 18.81% against 18.12% as at 31 December 2022.

The buffer compared to the limit set for the possibility of distributing dividends (Maximum Distributable Amount or MDA buffer), with the application of the Danish Compromise, was 544 basis points (compared to 464 basis points as at 31 December 2022). At stated level, said ratio was 486 bps.

[35] For more details on the calculation methods for capital ratios, please refer to point 6 of the Explanatory Notes of this press release.
[36] For more details on the transitional provisions that have expired, please refer to point 6 of the Explanatory Notes to this press release.
[37] See note 13.

BUSINESS OUTLOOK

The general framework continues to be impacted by inflationary dynamics, partly due to the geo-political tensions generated by the Russia-Ukraine conflict.
In this scenario, the Italian economy, after the strong growth recorded in 2022, maintains a trajectory of moderate expansion, also suffering from the effects of a monetary policy that remains restrictive.
Given the context, also this year, the external variables appear to be the main influences on the operating performance of the Group.
Net interest income will continue to benefit from the increase in short-term rates, in particular in the commercial component, thanks above all to a *funding mix* that makes it possible to contain the effects of *repricing*.
Fee and commission income, though still in a scenario of potential volatility, which specifically impacts up front and running fees and commissions, connected with investment products, will continue to benefit from the trends in those relating to typical commercial banking operations.
The trend in operating expenses, which will continue to be one of the main focuses of managerial action, may be affected at least in part by inflationary pressure, the renewal of the national collective bank worker contracts and by the effects of a sustained investment policy to support the development initiatives envisaged in the Strategic Plan.
The trend of default flows, which is currently better than that of 2022, could worsen during the year as a result of economic trends.
The approach to credit will therefore remain prudent, with solid levels of coverage confirming the rigour of the valuations adopted in the last few years on both performing and non-performing exposures.
For the entire year, a significant improvement is expected in the Group’s net profit compared to the previous year, with a trend that, also in forecasts (2023 EPS amounting to approximately 75 eurocents and 2024 EPS amounting to approximately 90 eurocents), will exceed both the trajectory of profitability and the overall targets outlined in the Strategic Plan, which will therefore be updated by end 2023.

***

Mr Gianpietro Val, as the Financial Reporting Officer, in compliance with Art. 154 bis, Par. 2 of the Consolidated Finance Law, hereby states that the accounting information illustrated in this press release is consistent with the corporate documents, books and accounting records.

***

The Banco BPM Group results as at 31 March 2023 will be presented to the financial community in the conference call scheduled for today, 8 May 2023 at 6:00 p.m. (CET). The supporting documentation for the conference call is available on the authorised storage system’s website (www.emarketstorage.com) and on the Bank’s website (www.gruppo.bancobpm.it), where the details for connecting to the call can also be found.

Explanatory notes

This News Release represents the document through which Banco BPM decided to disclose - on a voluntary basis - supplementary periodic information ("quarterly reports") to the public and to the market, in addition to the half-year and annual reports, in compliance with the disclosure policy communicated to the market, pursuant to art. 82-ter of the Issuers Regulation effective on 2 January 2017. For the sake of completeness, please note that the quarterly report also includes the result presentation handout prepared for the conference call with the financial community to be held after this News Release has been released.
This quarterly report includes a comment on the quarterly operating performance that focuses on the dynamics of the key P&L, balance sheet and financial items, and is based on the reclassified statement of financial position and income statement. Please find below some explanatory notes that are deemed useful to better understand the approach followed in preparing the above-mentioned accounting statements as at 31 March 2023 and those referring to the prior FY, as well as the dynamics of the quarterly results commented in this news release.

1. Accounting policies and reference accounting standard

Accounting policies

The balance sheet and income statement layouts contained in this news release have been reclassified along management criteria in order to provide an indication on the Group's overall performance based on more easily understandable aggregate operating and financial data. These layouts have been prepared based on the financial statement layouts indicated in the Bank of Italy's Circular no. 262/2005 and following updates (hereinafter "Circular"), applying the same aggregation and classification criteria presented in the Consolidated Financial Statements as at 31 December 2022, with specific clarifications provided below under paragraph "Adoption of the accounting standard IFRS 17 Insurance contracts".

Reference accounting standards

The accounting standards adopted to prepare the financial report as at 31 March 2023 – as regards the classification, recognition, measurement and cancellation of assets and liabilities, as well as the recognition of costs and revenues - are the ones set forth in the international accounting standards IAS/IFRS issued by the International Accounting Standards Board (IASB) and in the related interpretations by the International Financial Reporting Interpretations Committee (IFRIC), endorsed by the European Commission and in force as at 31 March 2023 as provided under Regulation (EC) no. 1606 of 19 July 2002. Said standards are in line with those adopted to prepare the consolidated financial statements as at 31 December 2022, except for the standards on the recognition, measurement and presentation of insurance contracts, following the introduction on 1 January 2023 of the new IFRS 17, as better explained in the paragraph below "Adoption of the accounting standard IFRS 17 Insurance contracts".
With regard to the disclosure requirements, the information contained in this document is not prepared based on IAS 34, covering interim financial reporting.

Insofar as applicable, the communications from the Supervisory Authorities were taken into account (Bank of Italy, ECB, EBA, Consob and ESMA), together with documents issued by the Italian Accounting Board (Organismo Italiano di Contabilità (OIC), by the Italian Banking Association (ABI) and by the Italian Valuation Board (OIV), providing recommendations on certain key accounting aspects or on the accounting treatment of specific transactions.

More detailed information on the accounting policies adopted for certain specific cases are provided below, to allow for a better understanding of the Group results as at 31 March 2023.

With regard to TLTRO III refinancing operations - which as at 31 March 2023 amounted to € 26.7 billion, after the repayment of € 12.5 billion on 21 December 2022 – please remember that in the absence of specific indications in the reference accounting standards on how to account for this specific case, the Group defined an internal accounting policy equating the financing to a floating rate financial instrument, whereby the measurement of the interest, applicable each time, is estimated based on the probability of achieving specific net lending targets. To this regard, note that, since all the net lending targets have been achieved, the interest accrued on the above liabilities has been recognized based on the most favorable Deposit Facility (DF) rate. More specifically:

- for the special period from 24 June 2020 to 23 June 2022: accruals are calculated based on the DF rate effective in that period, plus the additional interest (-0.5%) guaranteed by the ECB, which is a fixed rate applicable for all the tranches irrespective of their residual time to maturity;
- for the period between 24 June 2022 and 22 November 2022: accruals are calculated based on the rate set by the ECB for that period, which by now is known, and corresponds to the average of the DF rates over the period from 24 June 2020 and 22 November 2022 (called "*main interest period*");
- for the final period from 23 November 2022 until the maturity/early repayment: accruals are calculated based on the different DF rates that come into effect over that time frame (3% is the DF rate effective on 31 March 2023).

Based on what explained above, in Q1 2023 came to an interest expense of € 155.8 million was recognized; the change compared to the Q1 2022 contribution, i.e., an interest income of € 98.0 million, was due to the DR interest rate rise, to the lifting of all interest rate incentive mechanisms, as well as to the difference in the refinancing amounts outstanding in the two periods under comparison.

The adoption of certain accounting standards necessarily calls for the use of estimates and assumptions that have an impact on the value of assets and liabilities recognized in the balance sheet. The assumptions used to calculate estimates take into account all information available on the date of preparation of the financial report as at 31 March 2023, together with the assumed scenarios that are considered reasonable, also based on past experience. It is not possible to rule out that the

presumed scenarios, albeit reasonable, may fail to reflect future scenarios the Group will operate in. Therefore, future actual results may differ from the estimates generated for the financial report as at 31 March 2023 and may therefore call for adjustments that cannot be predicted or estimated today with respect to the carrying amount of assets and liabilities recognized in the balance sheet. To this regard, please note that it might be necessary to revise the estimates should the circumstances they have been based on change, as a result of new information or the longer experience accrued.
Among the main uncertainty factors that could affect future scenarios in which the Group operates, we should not underestimate the negative effects on the global and Italian economies, connected with the evolution of the Russia-Ukraine conflict, which persisted throughout the first quarter of 2023. The related uncertainty as to the Eurozone economic projections – worsened by the financial market disruptions caused by the default of certain US mid-sized regional banks and by the resolution of the Credit Suisse Group in Europe - affects the financial estimates, as it calls for assumptions and hypotheses that may fail to be confirmed by future actual developments.
A detailed description of the estimation processes that require the use of significant amount of discretion when selecting the underlying assumptions and hypotheses, including the impact from the Russia-Ukraine conflict, is provided in the consolidated annual financial report as at 31 December 2022. A full cross-reference to the above-mentioned description is suggested, since it is connected also to the financial and operating position as at 31 March 2023, which is the subject of this news release.
As to the calculation of expected losses on performing exposures (on- and off-balance-sheet) as at 31 March 2023, in line with the procedure followed as of the 2021 annual report, the Group applied certain "post model adjustment/management overlays" whenever it was deemed that the existing estimate models could not fully capture some risk factors that were considered significant to take into account possible future deteriorations of the credit risk. These "*management overlays*" account for about 35% of the expected losses on performing exposures, and actually significantly reduce the positive P&L impacts that would have otherwise been reported in Q1. Hence, these adjustments contribute to the strengthening of the Group's capability of absorbing any negative macroeconomic fallout, considering also the uncertainty still hovering at the date of preparation of the financial report as at 31 March 2023.
With regard to indefinite life intangible assets and deferred tax assets, the evolution that took place in Q1 2023, tied also to the macroeconomic backdrop, did not highlight changes in the parameters and assumptions used in the recoverability tests conducted with reference to 31 December 2022 that could challenge the recoverability of the book values entered in the financial position as at 31 March 2023.

Adoption of the accounting standard IFRS 17 "Insurance contracts"

IFRS 17 "Insurance contracts", endorsed with Regulation EU no. 2036/2021 of 19 November 2021, introduces new measurement criteria and new accounting rules for insurance products, replacing IFRS 4, and become mandatorily effective on 1 Jan. 2023. For insurance companies, the adoption of IFRS 17 marks the most significant change in terms of accounting requirements after the initial adoption of international accounting standards, as it calls for a far-reaching revision of the financial statements' presentation criteria for the insurance business – life and P&C - and of the methodologies to measure the related liabilities. More specifically, the accounting models proposed by the new standard introduce deep changes compared to the previous accounting standards, in particular with regard to i) the concept of insurance revenue, ii) the timing of the recognition of losses from onerous contracts iii) the increased complexity of measurement processes, quantitative requirements, the determination of actuarial and financial assumptions, the disclosure and result analysis requirements iv) in the comparison with the data used to measure the regulatory capital.
For a more detailed analysis of the changes introduced by the standard and of the methodological choices made by the Group with regard to the subsidiary insurance companies – Banco BPM Vita and Banco BPM Assicurazione – please refer to Part A of the Notes to the Consolidated financial statements as at 31 December 2022, "Disclosure on the transition to the new accounting standard IFRS 17 – Insurance contracts".
This being said, the adoption of IFRS 17 for Gruppo Banco BPM had both a direct impact from the measurement of insurance contracts issued by the Group's insurance companies (Banco BPM Vita and Banco BPM Assicurazione), and an indirect impact tied to the investments in associates carried under the equity method (Vera Vita and Vera Assicurazioni).
IFRS 17 requires applying IFRS retrospectively by redetermining the balances under comparison. The transition date (First Time Application) is set on 1 January 2022, which represents the beginning of the period immediately preceding the date of the mandatory initial application of the new standard. As regards specifically the subsidiary insurance companies Banco BPM Vita and Banco BPM Assicurazioni, considering that their acquisition took place on 1 July 2022, the adoption of IFRS 17 shall come into effect on that date.
At the transition date, as explained above, the adoption of IFRS 17 for the Group produced a positive impact on net equity of € 28.1 million; considering the FY 2022 net income redetermined pursuant to IFRS 17, the impact on net equity as at 31 December 2022 generated a positive amount of € +246.0 million[38]. The positive change in FY 2022 involved in particular the valuation reserves, and is mainly due to the new insurance contracts measurement model ("Variable Fee Approach"), applied to insurance contracts with discretionary direct participation features (separate accounts).

(data in million euro)	**Subsidiary insurance companies**	**Associated insurance companies**	**Total**
Impact on consolidated net equity FTA (*)	**-22.8**	**50.9**	**28.1**
Impact on reserves 2022	66.5	177.1	243.6
Impact on net income 2022	4.0	-29.7	-25.7
Impact on the consolidated net equity as at 31 December 2022	**47.7**	**198.3**	**246.0**

(*) Impact as at 1 July 2022 for controlled insurance companies and as at 1 January 2022 for associated insurance companies.

[38] For investments held in associated insurance companies, the impact refers to the joint application of IFRS 17 and IFRS 9. In contrast, for the controlled insurance companies, the impact refers only to IFRS 17 because the adoption of IFRS 9 took place from the date of acquisition; in fact, the Group could not defer its application to 1 January 2023, contemporarily with IFRS 17, given that as of 31 December 2022, no communication on the status of "financial conglomerate" had yet been received to" (communication received on 7 March 2023).

Considering that the application of IFRS 17 must be retrospective, last year's balance s of the statement of financial position as at 31 December 2022 and of the 2022 income statement were redetermined so as to provide a like-for-like comparison with FY 2023 balances. However it should be pointed out that at the date of preparation of the financial report as at 31 March 2023, the FY2022 quarterly operating contributions were not redetermined; hence the Q1 2023 income statement - in particular with respect to the P&L items impacted by the insurance business ("Insurance Income" and "Gain/loss on investments carried at equity") - is not fully comparable either with Q1 2022 (which anyway is not readily comparable also as a result of the acquisition of the control of the insurance companies Banco BPM Vita and Banco BPM Assicurazioni on 1 July 2022), or with respect to the other quarters of the prior year. In this regard, it should be noted that under IFRS 10, the contribution of Banco BPM Vita and Banco BPM Assicurazioni is reflected in the income statement line-by-line as from 1 July 2022; on the other hand, the contribution of the first two quarters, when the companies were held at 19%, is shown in the item "Income from investments in associates carried at equity"."

Finally, it should be noted that the application of IFRS 17 did not change the reclassified balance sheet amounts posted in the insurance line-items and related reconciliations compared to the items in the balance sheet prepared in accordance with Circular no. 262, which are in line with those of the consolidated financial statements as at 31 December 2022, to which you can refer for more details.

Circular no. 262, updated to take into account the new standard IFRS 17, confirmed the existing balance sheet and P&L items used to represent the specific insurance business, albeit under a different line-item name and with an information content in line with IFRS 17 requirements:

- under assets "80. Insurance activities", instead of "80. Technical reserves of reinsurers";
- under liabilities "110. Insurance liabilities", instead of "110. Technical reserves";
- in the P&L: "160. Insurance service result", instead "160. Net premiums" and "170. Insurance finance income or expense" instead of "170. Balance of other income/expense from insurance activities".

In light of what illustrated above, the reclassified balance sheet liabilities line-item "Direct funding from insurance business and technical reserves" was renamed "Insurance Direct Funding & Insurance liabilities" and, as in the prior financial year, it includes all the liabilities of the Group insurance companies tied to the policies taken out by customers. Specifically, it refers to the liabilities line-items "30. Financial liabilities designated at fair value" for unit-linked policies, and "110. Insurance liabilities" for the other insurance products.

As to the reclassified income statement, the line-item "Insurance income", includes the income components (interest, dividends, realized gains/losses/ valuation capital gains/losses) related to the portfolios of financial assets and liabilities held by the Group insurance companies, as well as the items that are specifically tied to the insurance business, namely line-item "160. Insurance service result" and line-item "170. Insurance finance income or expense".

In line with the 2022 financial statements, the distribution fees paid out by the Group insurance companies to the Banco BPM Parent Company's distribution network, although under full consolidation, are shown as outstanding balances in the reclassified income statement. Hence, the line-item "Net fees and commissions" includes commission income received by the distribution network, while the line-item "Insurance income" includes the commission expense paid out by the Group insurers. This reporting modality aims at representing the contribution made to the generation of the net income by the various operating segments, in line with IFRS 8.

Other information

In addition to the financial report prepared in compliance with IAS/IFRS, this news release also includes some alternative performance measures (APM) that have been selected by the directors to provide an easier understanding of the operating and financial performance of Gruppo Banco BPM's management.

Said measures are based on the guidelines issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415) and transposed in Consob's Communication no. 0092543 of 3 December 2015.

Please note that a description of the adopted basis of calculation is provided for each APM, and the figures used, when not otherwise specified, can be derived from the information published in the reclassified financial statements attached to this news release.

2. PPA (*Purchase Price Allocation*) impacts from the Business Combination of former Gruppo Banca Popolare di Milano and former Gruppo Banca Popolare Italiana

In compliance with IFRS 3, the income statement of Gruppo Banco BPM includes the P&L reversal effects mainly caused by the allocation of the prices paid for the business combination between Gruppo Banco Popolare and Gruppo Banca Popolare di Milano completed in FY 2017 and between Gruppo Banco Popolare di Verona e Novara and Gruppo Banca Popolare Italiana, completed in FY 2007. It should be also noted that as of the second half of 2022 also the impact from the combination of Banco BPM Vita and Banco BPM Assicurazioni was accounted for, including the fair value remeasurement of the previous equity interest in accordance with step acquisitions under IFRS 3.

This impact has been recognized, net of the tax effect, under the separate line-item of the reclassified income statement "Purchase Price Allocation, after tax".

More specifically, the Q1 2023 consolidated P&L impact from the reversal effect of value adjustments of purchased net assets on net interest income came in at € - 2.9 million (in connection with the evolution of the various valuations of purchased assets) and at € - 8.1 million on other net operating income (due to the depreciation of intangibles recognized under the PPA). Net of the tax effect, the overall impact posted under the reclassified P&L line-item "Purchase Price Allocation, after tax" IN Q1 2023 added up to € -7.4 million (€ -8.5 million in Q1 2022).

3. Charges generated by the contribution to the resolution mechanisms

In the Q1 2023 P&L, the line-item "After-tax banking industry charges" was charged with the estimate of the last annual portion of ex ante contributions due to the Single Resolution Fund to meet the minimum capital amount required by the BBRD. The estimated charge, net of the tax effect, totaled € 57.3 million (the amount charged to income in Q1 2022 came in at € 74.6 million). Gross of the tax effect, the estimated charge added up to € 84.9 million (€ 110.5 million in the same period of the prior year).

4. Changes to the consolidation scope

During the quarter, the changes in the consolidation scope were the exit of the subsidiary Consorzio AT01, under full consolidation, and of the associate Bussentina S.c.r.l, carried at equity, following their cancellation from the competent Companies Register upon completion of the liquidation procedures.
These transactions did not give rise to any impact on the Group's financial and operating situation as at 31 March 2023.

5. Non-recurring items in the income statement of Gruppo Banco BPM

With Communication no. DEM/6064293 dated 28 July 2006, CONSOB invited companies that issue financial instruments listed on Italian regulated markets to provide a disclosure on the impact of non-recurring events and transactions.
Please note that according to the policy adopted by the Group, the following items are classified as non-recurring:

- gains or losses on the sale of all fixed assets (shareholdings, tangible fixed assets except financial assets included in the "Hold to Collect" (HtC) portfolio (that can be sold according to the materiality and frequency thresholds under IFRS9);
- gains and losses on non-current assets held for sale;
- loan write-downs/write-backs (due to valuations or to actual impairment losses) that were caused by a change in the NPE Strategy approved during the year by the Board of Directors entailing a change in targets and/or in the type of loans under disposal compared to what had been previously planned;
- P&L components with a large carrying amount tied to efficiency gain or reorganization actions, etc. (i.e., redundancy fund charges, voluntary redundancy schemes, merger/integration charges);
- P&L components with a large carrying amount that are not likely to occur frequently (e.g., fines, impairment of tangible assets, goodwill and other intangible assets, impact from regulatory changes, exceptional results);
- P&L impact generated by the fair value measurement of property and other tangible assets (works of art);
- tax effect tied to the above P&L impacts.

Conversely, the following impacts are generally considered recurring:

- P&L impacts from the sale or valuation of all financial assets (other than loans), including those held in the HtC and the financial liabilities portfolios;
- barring exceptional cases, P&L impacts from valuation aspects (loan loss provisions, write-downs on other financial assets or provisions for risks and charges);
- P&L impacts from changes in reference valuation parameters implemented in valuation models adopted on an ongoing basis;
- P&L impacts whose single amount is not material or not measurable, meeting the definition of contingent assets and/or liabilities (e.g., costs and revenues and/or adjustment of costs and revenues accrued in other financial years);
- tax effect tied to the above P&L impacts.

Whenever deemed significant, information on the effect that events or transactions that are non-recurring, or in any case do not occur frequently in the ordinary activities, have on the income statement and/or on the Group's financial position, is provided in the comments on the evolution of the balance sheet and P&L items.

Based on the criteria described above, the following non-recurring items were reported in Q1 2023:

- the line-item "personnel expenses" includes the allowance for the charges that are expected to be incurred under the agreements with Trade Unions on the early resignation or retirement of personnel totaling € 8.5 million, net of the release of liabilities reported in prior financial years, mainly against obligations to pay the incentives under the *Short Term Incentive Plans,* totaling € +7.3 million). The net impact on the line-item under examination totaled € -1.2 million;
- the line-item "gain/loss on the fair value measurement of tangible assets" posts a net write-down of € -1.9 million;
- the line-item "net provisions for risks and charges" includes the allowance of € 4.4 million tied to the estimated charges relative to certain contractual obligations;
- the line-item "gain/loss on equity and other investments" includes the positive impact of € +0.2 million from the disposal of tangible assets;
- "Income tax on continuing operations" includes the tax impact of the above non-recurring components, totaling € +2.1 million.

Overall, non-recurring items gave rise to a negative impact of € -5.2 million on the net income of the first quarter of 2023. Excluding the above effects, the (adjusted) net income accruing at the end of the first quarter would come to € 270.5 million.

In the income statement of the same period last year, the following non-recurring items had been recognized:

- the line-item "Net write-downs on customer loans" included the impact from the approved increase in NPL disposal targets, totaling € -32.3 million;
- the line-item "Gain/loss on the fair value measurement of tangible assets" posted a net write-down of € -1.2 million;
- the line-item "Gain/loss on equity and other investments" included the positive impact of € +1.5 million from the disposal of tangible assets;

- "Income tax for the period on continuing operations" included the tax impact of the above non-recurring items totaling € +10.7 million.

As a whole, non-recurring items in Q1 2022 posted a negative amount of € -21.4 million.
Excluding the above impact, the net (adjusted) result would be € 199.2 million.

6. Capital requirements regulation

Clarifications on the calculation procedure for capital ratios

The capital ratios as at 31 March 2022 reported in this news release have been calculated by including the interim net income accruing at the end of the first quarter of 2023, net of the expected payout ratio based on the specific applicable regulation[39]. To this regard, please note that we shall apply for the permission to include the above net income in the own funds calculation pursuant to art. 26 paragraph 2 of Regulation (EU) no. 575/2013.

Minimum requirements

With communication of 25 November 2022, the Bank of Italy confirmed that the Banco BPM banking group is an 'Other Systemically Important Institution' (O-SII) for FY 2023. The O-SII buffer accounted for 0.25% of regulatory requirements.

With communication of 16 December 2022, the Bank of Italy confirmed the Countercyclical Capital Buffer ratio for the exposures to Italian counterparties at zero percent also for Q1 2023.

On 15 December 2022, the European Central Bank (ECB) notified Banco BPM its SREP decision for FY 2023, raising the Pillar 2 capital requirement (P2R) to 2.57%, basically unchanged compared to the previous year's requirement net of the effect of the release of the deduction calculated under art. 3 of CRR (Regulation EU no. 575/2013), whose positive effects on capital ratios and on the MDA buffer have been reckoned based on the position as of 31 December 2022.

Therefore, considering also the countercyclical capital buffer established by the competent national authorities for exposures towards countries where the Group operates, equal to 0.016%), the minimum requirements Banco BPM must comply with in 2023, until a new communication is issued, are [40]:
- CET 1 ratio: 8.71%;
- Tier 1 ratio: 10.69%;
- Total Capital ratio: 13.34%.

Transitional provisions

As of 1 January 2023, transitional provisions no longer apply, therefore the capital ratios can be qualified as "fully-loaded". Indeed, at the beginning of the year the transition period of the provisions introduced by art. 473 bis of Regulation (EU) no. 575/2013 (CRR), that phased in the impact on own funds produced by the adoption of the new impairment model introduced by IFRS 9, has expired, together with the option under art. 468 of Regulation (EU) no. 575/2013 (CRR) to remove 40% of unrealized gains and losses accrued from 31 December 2019 on debt securities measured at fair value when calculating own funds, with effect on comprehensive income represented by debt instruments related to exposures to central, regional, and local governments under article 115, paragraph 2, of CRR and other public sector entities under article 116, paragraph 4.

7. Sovereign risk exposure represented by debt securities

The table below provides an illustration of the banking Group's sovereign risk exposure (debt securities included in the financial assets portfolios) as at 31 March 2023, broken down by single Country and by category of the classification accounting portfolio:

31 March 2023 *(in million euro)* **Countries/Accounting portfolios**	**Fin. ass. measured at amortized cost**	**Fin. ass. measured at fair value through other comprehensive income**	**Fin. ass. measured at fair value through profit or loss**	**Total**
Italy	9.301	2.280	40	11.621
France	5.063	1.422	-	6.485
USA	2.154	1.566	-	3.720
Spain	3.730	1.109	4	4.843
Germany	2.441	847	-	3.288
Other Countries	580	262	-	842
Total	**23.269**	**7.486**	**44**	**30.799**

[39] Pursuant to art. 5 of decision (EU) 2015/656 of the European Central Bank of 4 February 2015, dividends to be deducted from the interim profits, for which inclusion in own funds is being asked, amount to 50% of the interim results, as, in the absence of a formal decision passed by the Board of Directors on the allocation of the FY 2023 net income, the rules set forth in art. 5.3 of Decision (EU) 2015/66 of the European Central Bank were applied.

[40] These requirements are calculated as follows:
- The Pillar I minimum requirement of 8% (of which 4.5% CET1; 1.5% AT1 and 2% AT2)
- the P2R requirement of 2.57% set by the ECB must be met by 56.25% with CET1 and by 75% with TIER1;
- the Capital Conservation buffer of 2.50% to be fully met with CET1;
- the O-SII buffer of 0.25% to be fully met with CET1;
- the Countercyclical Capital buffer of 0.016% to be fully met with CET1 capital.

As at 31 March 2023, the banking Group's sovereign debt exposure totaled € 30.8 billion (€ 29.8 billion as at 31 December 2022), of which 75.6% was classified in the portfolio of financial assets measured at amortized cost, 24.3% under financial assets measured at fair value through other comprehensive income, and 0,1% in the portfolio of financial assets measured at fair value through profit or loss, as they were held for trading.
Out of this exposure, about 87% refers to securities issued by members of the European Union; notably about 38% by Italy.
As regards financial assets measured at fair value through other comprehensive income, as at 31 December 2022 the reserves generated by the fair value measurement of debt securities posted a negative amount equal to € 537.6 million, net of tax effect, of which € -506.7 million refer to government bonds (€ -66.1 million for Italian government bonds and € -440.6 million for other government bonds).
As to financial assets measured at amortized cost, the book value came out at € 23.3 billion, of which € 9.3 billion represented by Italian government bonds. For information purposes only, note that the fair value of the government bonds classified in this accounting category, measured based on the market prices as at 31 March 2023 (level 1 in the fair value classification) totaled € 22.7 billion (€ 9.2 billion being the fair value of the Italian government bonds alone).
The debt securities management still follows the same decisions made in the prior financial years; no business model change calling for a portfolio reclassification took place in the quarter.

8. Other explanatory notes

The reclassified balance sheet and income statements reflect on a consolidated basis the financial accounts of Banco BPM and its subsidiaries with respect to 31 March 2023, or, when not available, the most recently approved financial reports.
Similarly, the equity method-based accounting of associates was carried out based on the accounting information as at 31 March 2023 submitted to Banco BPM, or, if not available, on the most recent financial reports prepared by the associates.

Attachments

Balances for the previous fiscal year have been restated for the purpose of consistent comparison with those for fiscal year 2023. It should be noted, however, that as of the date of preparation of the financial statements as of March 31, 2023, quarterly economic contributions for FY 2022 have not been restated.
For more details, please refer to the notes at the bottom of the attached schedules.

- Reclassified consolidated statement of financial position as at 31 March 2023 compared with data as at 31 December 2022
- Q1 2023 reclassified consolidated income statement compared with Q1 2022 data
- Reclassified consolidated income statement – 2023 and 2022 quarterly evolution
- Q1 2023 reclassified consolidated income statement net of non-recurring items
- Q1 2023 reclassified consolidated income statement – impact relative to FY 2022 referring to the application of IFRS 17 to the insurance companies

Contacts:

Investor Relations
Roberto Peronaglio
+39 02.94.77.2108
investor.relations@bancobpm.it

Communication
Matteo Cidda
+39 02.77.00.7438
matteo.cidda@bancobpm.it

Media Relations
Marco Grassi
+39 045.867.5048
marco.grassi@bancobpm.it

Gruppo BANCO BPM

Reclassified consolidated balance sheet

TOTAL ASSETS *(in euro thousand)*	31/03/2023	31/12/2022 Restated	Chg.	Chg. %
Cash and cash equivalents	23,067,557	13,130,815	9,936,742	75.7%
Financial assets at amortised cost	111,393,386	113,632,853	-2,239,467	-2.0%
- Due from banks	3,642,719	4,177,893	-535,174	-12.8%
- Customer loans	107,750,667	109,454,960	-1,704,293	-1.6%
Other financial assets	43,874,951	43,093,541	781,410	1.8%
- Financial assets designated at FV through P&L	7,848,330	8,206,881	-358,551	-4.4%
- Financial assets designated at FV through OCI	10,048,474	9,380,520	667,954	7.1%
- Financial assets at amortised cost	25,978,147	25,506,140	472,007	1.9%
Financial assets pertaining to insurance companies	6,016,050	5,892,769	123,281	2.1%
Equity investments	1,609,579	1,652,317	-42,738	-2.6%
Property and equipment	2,894,422	3,034,689	-140,267	-4.6%
Intangible assets	1,252,695	1,255,124	-2,429	-0.2%
Tax assets	4,462,952	4,585,484	-122,532	-2.7%
Non-current assets held for sale and discontinued operations	208,829	195,792	13,037	6.7%
Other assets	3,931,342	3,334,519	596,823	17.9%
Total Assets	**198,711,763**	**189,807,903**	**8,903,860**	**4.7%**

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY *(in euro thousand)*	31/03/2023	31/12/2022 Restated	Chg.	Chg. %
Banking Direct Funding	120,038,096	120,639,083	-600,987	-0.5%
- Due from customers	105,122,445	107,679,408	-2,556,963	-2.4%
- Debt securities and financial liabilities designed at FV	14,915,651	12,959,675	1,955,976	15.1%
Insurance Direct Funding & Insurance liabilities	5,853,963	5,742,601	111,362	1.9%
- Financial liabilities measured at FV pertaining to insurance c	1,478,244	1,459,075	19,169	1.3%
- Liabilities pertaining to insurance companies	4,375,719	4,283,526	92,193	2.2%
Due to banks	31,299,945	32,635,805	-1,335,860	-4.1%
Debts for Leasing	513,971	627,921	-113,950	-18.1%
Other financial liabilities designated at FV	21,747,039	13,597,650	8,149,389	59.9%
Other financial liabilities pertaining to insurance companies	3,399	439	2,960	N.S.
Liability provisions	962,287	988,852	-26,565	-2.7%
Tax liabilities	312,403	267,873	44,530	17%
Liabilities associated with assets held for sale	34,568	25,821	8,747	34%
Other liabilities	4,587,402	2,265,593	2,321,809	102%
Total Liabilities	**185,353,073**	**176,791,638**	**8,561,435**	**4.8%**
Minority interests	756	720	36	5.0%
Shareholders' equity	13,357,934	13,015,545	342,389	2.6%
Consolidated Shareholders' Equity	**13,358,690**	**12,892,279**	**466,411**	**3.6%**
Total Liabilities and Shareholders' Equity	**198,711,763**	**189,807,903**	**8,903,860**	**4.7%**

The item "Customer Loans" includes the Senior notes coming from the securitizations of Non-performing Loans

The previous year's figures have been restated to reflect the retrospective application of IFRS 17 to subsidiary and associated insurance companies

Gruppo BANCO BPM

Reclassified consolidated income statement

(in euro thousand)	1Q 2023	1Q 2022	Chg.	Chg. %
Net interest income	742,974	511,542	231,432	45.2%
Income (loss) from investments in associates carried at equit	36,312	49,642	-13,330	-26.9%
Net interest, dividend and similar income	**779,286**	**561,184**	**218,102**	**38.9%**
Net fee and commission income	478,654	480,092	-1,438	-0.3%
Other net operating income	16,914	16,665	249	1.5%
Net financial result	-34,136	127,933	-162,069	
Income from insurance business	9,611	-	9,611	
Other operating income	**471,043**	**624,690**	**-153,647**	**-24.6%**
Total income	**1,250,329**	**1,185,874**	**64,455**	**5.4%**
Personnel expenses	-405,396	-407,862	2,466	-0.6%
Other administrative expenses	-170,194	-155,553	-14,641	9.4%
Net value adjustments on property and equipment and intang	-64,460	-61,238	-3,222	5.3%
Operating costs	**-640,050**	**-624,653**	**-15,397**	**2.5%**
Profit (loss) from operations	**610,279**	**561,221**	**49,058**	**8.7%**
Net adjustments on loans to customers	-137,455	-151,128	13,673	-9.0%
Profit (loss) on fair value measurement of tangible assets	-1,906	-1,236	-670	54.2%
Net adjustments on other assets	681	-3,194	3,875	
Net provisions for risks and charges	2,450	-8,126	10,576	
Profit (loss) on the disposal of equity and other investments	154	1,526	-1,372	-89.9%
Income (loss) before tax from continuing operations	**474,203**	**399,063**	**75,140**	**18.8%**
Tax on income from continuing operations	-147,436	-138,420	-9,016	6.5%
INCOME (LOSS) AFTER TAX FROM CONTINUING OPERA	**326,767**	**260,643**	**66,124**	**25.4%**
Systemic charges after tax	-57,278	-74,567	17,289	-23.2%
Realignment of fiscal values to accounting values	-	-	-	
Goodwill & Client Relationship impairment after tax		-	-	
Impact from the change in Own Credit Risk on certificates issued, after tax	3,277	176	3,101	
Purchase Price Allocation (PPA) after tax	-7,403	-8,490	1,087	-12.8%
Income (loss) attributable to minority interests	-36	43	-79	
NET INCOME (LOSS) FOR THE PERIOD	**265,327**	**177,805**	**87,522**	**49.2%**

It should be noted that, as at the date of preparation of these financial statements as at 31 March 2023, the quarterly profit and loss accounts for the financial year 2022 have not been restated. The income statement for the first quarter of 2023 is therefore not fully comparable - with particular reference to the economic components impacted by the insurance business ("Income from insurance business" and "Income (loss) from investments in associates carried at equity") - with that of the first quarter of 2022.

Gruppo BANCO BPM

Reclassified consolidated income statement - Quarterly evolution

(in euro thousand)	1Q 2023	4Q 2022 (*)	3Q 2022 (*) (**)	2Q 2022 (*)	1Q 2022 (*)
Net interest income	742,974	723,957	551,319	527,591	511,542
Income (loss) from investments in associates carried at equit	36,312	34,803	31,566	41,472	49,642
Net interest, dividend and similar income	**779,286**	**758,760**	**582,885**	**569,063**	**561,184**
Net fee and commission income	478,654	447,262	473,197	486,771	480,092
Other net operating income	16,914	19,512	20,397	15,028	16,665
Net financial result	-34,136	-8,951	75,138	48,863	127,933
Income from insurance business	9,611	40,457	-8,739	-	-
Other operating income	**471,043**	**498,280**	**559,993**	**550,662**	**624,690**
Total income	**1,250,329**	**1,257,040**	**1,142,878**	**1,119,725**	**1,185,874**
Personnel expenses	-405,396	-395,165	-400,532	-405,342	-407,862
Other administrative expenses	-170,194	-171,476	-160,701	-162,650	-155,553
Net value adjustments on property and equipment and intang	-64,460	-84,729	-70,062	-64,059	-61,238
Operating costs	**-640,050**	**-651,370**	**-631,295**	**-632,051**	**-624,653**
Profit (loss) from operations	**610,279**	**605,670**	**511,583**	**487,674**	**561,221**
Net adjustments on loans to customers	-137,455	-184,691	-193,909	-152,553	-151,128
Profit (loss) on fair value measurement of tangible assets	-1,906	-59,992	-7,510	-39,609	-1,236
Net adjustments on other assets	681	-538	-3,028	-2,346	-3,194
Net provisions for risks and charges	2,450	-28,220	-16,260	-4,608	-8,126
Profit (loss) on the disposal of equity and other investments	154	515	277	-60	1,526
Income (loss) before tax from continuing operations	**474,203**	**332,744**	**291,153**	**288,498**	**399,063**
Tax on income from continuing operations	-147,436	-93,435	-84,477	-92,599	-138,420
INCOME (LOSS) AFTER TAX FROM CONTINUING OPERA	**326,767**	**239,309**	**206,676**	**195,899**	**260,643**
Systemic charges after tax	-57,278	-49	-77,271	-	-74,567
Realignment of fiscal values to accounting values	-	-	-	-	-
Goodwill & Client Relationship impairment after tax	-	-	-	-8,132	-
Impact from the change in Own Credit Risk on certificates issued, after tax	3,277	-20,513	-323	25,478	176
Purchase Price Allocation (PPA) after tax	-7,403	-9,433	-20,427	-7,173	-8,490
Income (loss) attributable to minority interests	-36	628	49	66	43
NET INCOME (LOSS) FOR THE PERIOD	**265,327**	**209,942**	**108,704**	**206,138**	**177,805**

(*) It should be noted that, as at the date of preparation of these financial statements as at 31 March 2023, the quarterly profit and loss accounts for the financial year 2022 have not been restated. The income statement for the first quarter of 2023 is therefore not fully comparable - with particular reference to the economic components impacted by the insurance business ("Income from insurance business" and "Income (loss) from investments in associates carried at equity") - with that of the first quarter of 2022.

(**) Compared to the data originally published, the contribution for the third quarter has been restated to take into account the PPA resulting from the acquisition of the companies BPM Vita and BPM Assicurazione, which was definitively calculated in the fourth quarter.

Gruppo BANCO BPM

Reclassified consolidated income statement, excluding non-recurring items

(in euro thousand)	1Q 2023	1Q 2022	Chg.	Chg. %
Net interest income	742,974	511,542	231,432	45.2%
Income (loss) from investments in associates carried at equit	36,312	49,642	-13,330	-26.9%
Net interest, dividend and similar income	**779,286**	**561,184**	**218,102**	**38.9%**
Net fee and commission income	478,654	480,092	-1,438	-0.3%
Other net operating income	16,914	16,665	249	1.5%
Net financial result	-34,136	127,933	-162,069	
Income from insurance business	9,611	-	9,611	
Other operating income	**471,043**	**624,690**	**-153,647**	**-24.6%**
Total income	**1,250,329**	**1,185,874**	**64,455**	**5.4%**
Personnel expenses	-404,204	-407,862	3,658	-0.9%
Other administrative expenses	-170,194	-155,553	-14,641	9.4%
Net value adjustments on property and equipment and intang	-64,460	-61,238	-3,222	5.3%
Operating costs	**-638,858**	**-624,653**	**-14,205**	**2.3%**
Profit (loss) from operations	**611,471**	**561,221**	**50,250**	**9.0%**
Net adjustments on loans to customers	-137,455	-118,802	-18,653	15.7%
Net adjustments on other assets	681	-3,194	3,875	
Net provisions for risks and charges	6,842	-8,126	14,968	
Income (loss) before tax from continuing operations	**481,539**	**431,099**	**50,440**	**11.7%**
Tax on income from continuing operations	-149,557	-149,096	-461	0.3%
INCOME (LOSS) AFTER TAX FROM CONTINUING OPERA	**331,982**	**282,003**	**49,979**	**17.7%**
Systemic charges after tax	-57,278	-74,567	17,289	-23.2%
Impact from the change in Own Credit Risk on certificates issued, after tax	3,277	176	3,101	
Purchase Price Allocation (PPA) after tax	-7,403	-8,490	1,087	-12.8%
Income (loss) attributable to minority interests	-36	43	-79	
NET INCOME (LOSS) FOR THE PERIOD (EXCLUDING NON-RECURRING ITEMS)	**270,542**	**199,165**	**71,377**	**35.8%**
IMPACTS EXCLUDED FROM "ADJUSTED" RESULT	**-5,215**	**-21,360**	**16,145**	**-75.6%**
NET INCOME (LOSS) FOR THE PERIOD	**265,327**	**177,805**	**87,522**	**49.2%**

It should be noted that, as at the date of preparation of these financial statements as at 31 March 2023, the quarterly profit and loss accounts for the financial year 2022 have not been restated. The income statement for the first quarter of 2023 is therefore not fully comparable - with particular reference to the economic components impacted by the insurance business ("Income from insurance business" and "Income (loss) from investments in associates carried at equity") - with that of the first quarter of 2022.

Gruppo BANCO BPM

Reclassified income statement

Impacts for the year 2022 related to the application of IFRS 17 to insurance companies

(in euro thousand)	**IFRS 17 impacts on FY 2022**
Net interest income	
Income (loss) from investments in associates carried at equity	-29,641
Net interest, dividend and similar income	**-29,641**
Net fee and commission income	-
Other net operating income	-43
Net financial result	
Income from insurance business	-10,019
Other operating income	**-10,062**
Total income	**-39,703**
Personnel expenses	6,494
Other administrative expenses	2,131
Net value adjustments on property and equipment and intangible asset	352
Operating costs	**8,977**
Profit (loss) from operations	**-30,726**
Net adjustments on loans to customers	
Profit (loss) on fair value measurement of tangible assets	
Net adjustments on other financial assets	
Net provisions for risks and charges	
Profit (loss) on the disposal of equity and other investments	
Income (loss) before tax from continuing operations	**-30,726**
Tax on income from continuing operations	1,900
INCOME (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	**-28,826**
Systemic charges after tax	
Realignment of fiscal values to accounting values	
Goodwill & Client Relationship impairment after tax	
Impact from the change in Own Credit Risk on certificates issued, after tax	
Purchase Price Allocation (PPA) after tax	3,144
Income (loss) attributable to minority interests	
NET INCOME (LOSS) FOR THE PERIOD	**-25,682**

This statement shows the overall impact for the full year 2022 detailed for each individual item of the Reclassified Income Statement attributable to the restatement in application of IFRS 17