

## PRESS RELEASE

### 2020 RESULTS

#### STRONG INCREASE IN PROFITABILITY AND BUSINESS GROWTH

- **Assets under Management to €34 billion at end of 2020 (+46% y/y).**
- **New business for €11.9 billion, including the MPS transaction, confirming AMCO's ability to complete complex transactions.**
- **Balanced business mix between NPLs and UTPs (58%/42%). Confirmed the approach aimed at supporting companies' business continuity, fostering the country's economic system.**
- **Team showing strong growth: 287 employees at end 2020, 54 more than in 2019.**
- **Cash collections at €857m (+14% y/y) despite the impacts of COVID-19, representing 3.7% of average AuM.**
- **EBITDA at €158.9m (+210% y/y), thanks to strong revenue growth, up to €214.1m (+126% y/y), and a careful cost management and economies of scale; EBITDA margin at 74.2%.**
- **Net profit at €76m (+80% y/y), despite net impairment losses on loans caused by delays in collections due to the pandemic and a single name exposure.**
- **Strong capital position: CET1 ratio at 37.4%, supporting future business growth.**
- **Established reputation in the debt capital markets following the July issuance of €2 billion senior unsecured bonds.**

Milan, 11 March 2021. - The Board of Directors of AMCO – Asset Management Company S.p.A. met today and approved the Company's separate and consolidated results for the year 2020.

*"In 2020, we achieved important results, successfully concluding the transaction with MPS, the purchase of 5 major portfolios as part of competitive processes and managing innovative multi-originator platforms such as Cuvée. Our management approach fosters corporates' sustainability; we aim to relaunch worthy businesses, thereby revitalising resources and giving new energy to the country's economic system. We pursue our growth objectives together with our people: the team continues to strengthen with new professionals with a wide range of skills. Operating profitability is high, driven by business growth and accompanied by a limited increase in costs, thanks to careful costs management and economies of scale."*  
stated Marina Natale, AMCO's CEO.

## 2020 RESULTS

### *Business development*

In 2020, AMCO continued to grow, bringing Assets under Management (AuM) to €34.0bn by the end of the period, of which 58% non-performing (NPLs) and 42% unlikely to pay (UTPs) loans.

AMCO generated new business for a total of €11.9bn, including 5 new portfolios acquired through competitive processes, in addition to €7.7bn NPEs through the MPS transaction. More specifically:

- purchased from **Credito Valtellinese** (12 March 2020) a portfolio of impaired loans with a Gross Book Value of approximately €177m, consisting entirely of NPLs;
- purchased from **Banca del Fucino and IGEA Banca** (15 June 2020) a portfolio of impaired loans with a Gross Book Value of approximately €30m. The portfolio consists of UTPs and NPLs;
- purchased from **Banca Popolare di Bari** (29 June 2020) a portfolio of impaired loans with a Gross Book Value of approximately €2bn, 60% of which consisting of UTPs and the remainder of NPLs;
- purchased from **Credito Valtellinese** (5 August 2020) a portfolio of impaired loans with a Gross Book Value of approximately €270m, mainly to corporate customers, 60% of which NPLs and 40% UTPs;
- purchased from **Banco BPM** (12 December 2020) a portfolio of impaired loans with a Gross Book Value of approximately €600m, mainly to corporate customers classified as UTP.

During the year, AMCO also acquired two new portfolios from **Banca Carige**: on 18 July 2020, a second tranche of UTP loans was acquired, relating to a single borrower group, with a value of approximately €227m; on 16 December, a portfolio of impaired loans with a value of approximately €54m was acquired, mainly to corporate customers and entirely classified as non-performing.

On 18 April 2020, for the third time Intesa Sanpaolo exercised the option for the transfer to the LCAs (Compulsory Administrative Liquidation) of **High Risk assets** (performing at the time of the purchase by ISP), originating from the former Veneto Banks, amounting to approx. €110m. On 13 June 2020, Intesa Sanpaolo exercised its last option to transfer **High Risk assets** totalling €200m. These positions were simultaneously transferred from the LCAs to the respective AMCO-managed Segregated Accounts. No more transfers are planned going forward.

Furthermore, on 8 December 2020, the second stage of the Cuvée project was launched, with the contribution of additional files worth €400m. The deal is based on the innovative multi-originator platform for management of UTP loans in the real estate sector. AMCO acts in the deal as Master and Special Servicer.

**Cash collections** in 2020 increased by 14% and amounted to €857m<sup>1</sup>, accounting for 3.7% of average AuM<sup>2</sup> and only slightly below the 3.9% booked in 2019, despite the lock-down and thanks to the greater knowledge of the portfolios and strengthening of the business divisions.

The lock-down – with the court closures in March and April – and the economic slow-down had a major impact on the first half of the year, in particular on cash collections on NPLs, given the suspension of property enforcement orders. The third quarter showed a recovery, whilst the fourth saw significant collections, particularly in relation to big files.

### ***Information on the effects of the COVID-19 pandemic***

AMCO has limited the impacts of the COVID-19 pandemic on its operations thanks to the complete adoption of remote working; by using the company's existing IT facilities, all employees had access to smart working solutions.

Close attention was paid to employees' health and well-being with dedicated video calls and training sessions, constantly providing useful information, particularly to those in more fragile situations. Additional benefits provided during the year included the continued payment of meal vouchers throughout the period of smart working, as well as COVID-19 tests, the costs of which were borne by the Company. A corporate welfare plan for employees and their families was also introduced.

Other training activities included the successful completion of a pilot project called "Perform", now being implemented for all employees, which aims to help people in changing their working procedures as a result of smart working, improving operations by bringing teams together, even when working from remote positions, and increasing personal well-being.

The Decree Laws of 17 March 2020 ("Cura Italia") and of 14 August 2020 ("Decreto Agosto") provided for an extraordinary moratorium on loans until 31 January 2021, subsequently extended to 30 June 2021. In this context, as of 31 December 2020 AMCO had received moratorium requests from 739 counterparties totalling €510m, of which approximately 84% were "individual voluntary moratoriums". Only 6% of the moratorium applications were rejected.

### ***Data and comparisons***

AMCO's 2020 consolidated results are detailed below, along with a comparison with the previous year's consolidated results.

### ***Income Statement***

In 2020 AMCO reported a consolidated net profit of €76.0m, showing strong growth (+80% y/y) thanks to the strong increase in operating profitability, which more than offsets on the one hand the impairment losses due to the delay in collections, as a result of the COVID-19 pandemic and of a

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<sup>1</sup> Collections for legal effect, i.e. starting from the date on which AMCO legally obtains ownership of the credit and starts to manage its collection. In addition to these collections, there are €411m for economic effectiveness, relative to portfolios acquired during the year

<sup>2</sup> Net of the former Veneto Banks "baciante", i.e. loans to finance securities purchases

single name exposure and, on the other hand, the increased interest from financial activities, which reflects the cost of financing growth.

EBITDA is up 210% y/y to €158.9m, driven by the strong revenue growth (+126% y/y) as a result of the increase in interest income and careful cost management; the progression of costs (+27% y/y) supported business growth leveraging existing economies of scale. EBITDA margin reaches 74.2%.

Income statement (Data €/000)	31/12/2019	31/12/2020	Var %
Servicing fees	47,139	48,007	2%
Interest and fees from customers	32,382	101,570	214%
Other operating income/expenses	15,320	64,569	321%
<b>TOTAL REVENUES</b>	<b>94,841</b>	<b>214,145</b>	<b>126%</b>
Personnel expenses	(23,580)	(29,987)	27%
Other administrative expenses	(19,915)	(25,231)	27%
<b>TOTAL COSTS</b>	<b>(43,496)</b>	<b>(55,218)</b>	<b>27%</b>
<b>EBITDA</b>	<b>51,345</b>	<b>158,927</b>	<b>210%</b>
<b>EBITDA MARGIN</b>	<b>54.1%</b>	<b>74.2%</b>	<b>20.1%</b>
Net impairment gains/losses from loans and financial assets	(3,581)	(42,671)	1,092%
Depreciation and amortization	(1,514)	(2,065)	36%
Provisions	(3,611)	227	-106%
Other operating income/expenses	(12,054)	(26,496)	120%
Net result of financial activities	20,845	18,669	-10%
<b>EBIT</b>	<b>51,430</b>	<b>106,592</b>	<b>107%</b>
Net Interest and fees from financial activities	(6,095)	(36,358)	497%
<b>PRE-TAX INCOME</b>	<b>45,335</b>	<b>70,234</b>	<b>55%</b>
Income tax	(3,024)	(5,775)	-291%
<b>NET PROFIT</b>	<b>42,321</b>	<b>76,009</b>	<b>80%</b>

Revenues show strong growth (+126% y/y) reaching €214.1m, with revenues from debt purchasing driving growth and accounting for 78% of the total, compared to 50% in 2019. The remaining revenues are originated from servicing activities. Servicing fees derive almost entirely from the management of the loan portfolio of the former Veneto banks, and their slight growth (+1.8% y/y) is linked to the entry of new High Risk assets into the former Veneto banks' portfolio and to the fees relating to the Back2Bonis fund ("Cuvée" transaction).

Interests and fees from customers amount to €101.6m (+214% y/y), thereby driving the growth in revenues. The increase in interests was mainly due to the accounting of the Carige portfolio for the entire year (accounted only for the 2nd half of 2019) and the portfolios acquired in 2020. Other operating income/expenses refer to cash recoveries from on-balance sheet portfolios and benefit from collections made on single name files. The contribution made by the former Banco di Napoli run-off portfolio leads to cash recoveries of €13.3m (-13.3% y/y).

Total costs amount to €55.2m, showing a 27% y/y increase due to the business expansion and the company's growth in size. Personnel expenses are up 27% y/y due to staffing increase.

As of 31 December 2020, there are 287 employees, 54 more than at the end of 2019, thanks to new hires finalised even during the lock-down periods. At the end of December 2020, 73% of staff is employed in business roles, and the remaining 27% in central functions. In addition to AMCO personnel, 88 employees seconded from MPS are operating as of 1 December 2020. New hires are expected during the 2020-2025 plan to support further growth.

Other operating expenses amount to €25.2m, rising by 27% y/y, mainly due to ordinary operating costs (€12.7m, +20% y/y) linked to the company's growth, the development of solutions to support the business and the central functions and due to costs linked to handling the COVID-19 emergency. Legal and credit recovery expenses (€8.1m, +19% y/y) rose as a result of the new portfolios acquired, whilst costs decreased in relation to portfolios that already existed in 2019, in particular to the former Banco di Napoli portfolio. Operational costs from new business (€4.4m, +75% y/y) refer to the acquisitions of new portfolios completed in 2020 or still under analysis.

EBIT is up by 107% y/y to €106.6m, due to the negative effect of net impairment losses of €42.7m linked to the economic impact of COVID-19, which led to collection delays, and to a single name exposure. EBIT also benefits from the positive contribution of the net result of financial activity totalling €18.7m thanks to the sale of Government bonds (€23.2m) and the write-down of AMCO's equity investment in the Italian Recovery Fund (IRF)<sup>3</sup> of €4.5m.

Interest and fees from financial activities include interest income and proceeds from financial assets, mainly BTPs, and interest expenses on bonds issued that reflect the cost of financing growth through the issuance of new bonds.

Income taxes are positive for €5.8m and benefit from the recognition of Deferred tax Assets (DTAs) of €19.0m previously unrecognized from the MPS compendium, partially offset by the use of previously recognized tax assets and by the IRAP for the year.

### ***Balance Sheet***

The structure of the balance sheet shows strong growth: assets and liabilities have grown by 2.4 times in a year, from €2.8bn at the end of 2019 to €6.9bn at the end of 2020. The change is to a large extent explained by the consolidation of the assets and liabilities of the MPS compendium, following completion of the partial demerger.

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<sup>3</sup> Italian Recovery Fund - previously called Atlante Fund - is a closed-end alternative investment fund regulated by Italian law, reserved to professional investors, set up for the purchase of financial instruments of different seniority, issued by one or more vehicles set up and/or to be set up for the purchase of bank NPLs. The fund's maturity date is 31/12/2026.

At the end of 2020, on the asset side, loans to customers total €5.7bn, compared to €1bn in 2019, and include loans to customers relating to the following portfolios: former MPS for €3.5bn, former Bari for €0.5bn and former BdN for €0.1bn<sup>4</sup>.

Financial assets amount to €0.7bn and include the equity investment in IRF of €471m, and Government bonds worth €56m. Cash and cash equivalents amount to €308m.

Financial liabilities at the end of 2020 amount to €4.0bn, comprising €2.9bn unsecured debt and €1.1bn secured debt.

The unsecured debt relates to the following issuances, under the Euro Medium Term Note Programme (EMTN): the first of €250m placed in February 2019, maturity date 13.2.2024, the second of €600m issued in October 2019, maturity date 27.01.2025, and a senior unsecured bond issued in July 2020, split into two tranches: one worth €1,250m, maturity date 17.07.2023, and one worth €750m, maturity date 17.07.2027, all listed on the Luxembourg regulated market. The issue, within the EMTN programme, has been assigned a rating of BBB (Standard & Poor's) and BBB- (Fitch).

The secured debt includes the debt of €1bn due to banks, used to refinance the liabilities of the MPS compendium and guaranteed by securitization of the MPS compendium portfolio. This debt has already been partially reimbursed in January 2021 for €250m against cash generated by the MPS portfolio, thereby reducing the current exposure to €750m.

Balance Sheet Assets (€/000)	31/12/2019	31/12/2020	Var %
Loans to banks	324,338	251,585	-22%
Loans to customers	979,400	5,686,223	481%
Financial assets	1,404,511	718,836	-49%
Equity investments	14	10	-28%
Tangible and intangible assets	6,816	4,677	-31%
Tax assets	79,912	210,687	164%
Other assets	24,717	28,355	15%
<b>Total assets</b>	<b>2,819,708</b>	<b>6,900,371</b>	<b>145%</b>

<sup>4</sup> Other loans relate to the Carige, BBPM, Creval, ICS, Igea Banca – Banca del Fucino portfolios

Balance Sheet Liabilities (€/000)	31/12/2019	31/12/2020	Var %
Financial liabilities at amortized cost	912,507	3,952,065	332%
Tax liabilities	8,201	6,075	-26%
Provisions for specific purposes	20,784	20,811	0%
Other liabilities	52,353	97,367	86%
<b>Shareholders' equity</b>	<b>1,822,863</b>	<b>2,824,052</b>	<b>55%</b>
Capital	600,000	655,154	9%
Own shares	0	(70)	
Share premiums	403,000	604,552	50%
Reserves	779,011	1,498,311	92%
Valuation reserves	(1,460)	(9,903)	579%
Profit/loss for the year	42,311	76,009	80%
<b>Total liabilities and net equity</b>	<b>4,642,571</b>	<b>6,900,371</b>	<b>49%</b>

Net equity increases from €1.8bn at the end of 2019 to €2.8bn at the end of 2020, benefiting from the equity imbalance included in the MPS compendium.

The CET1 ratio is 37.4% and the Total Capital Ratio is also 37.4%, as there are no subordinated bonds in the balance sheet. Therefore, the company has a strong capital position, which allows it to manage potential risks and creates flexibility for further business growth. Note that the reduction of the capital ratio, as compared with the 63.7% in 2019, is due to the effects of the transactions concluded during the year.

The debt/equity ratio is 1.4x, but it decreases to 1.3x considering the partial repayment of the secured debt made in January 2021.

## RATINGS

On 1 July 2020, **Fitch Ratings** confirmed the Investment Grade LTIDR (Long-Term Issuer Default Rating), corresponding to BBB- with a Stable outlook, and the F3 Short-Term Foreign Currency IDR. Confirmation came following the announcements of the transactions with Banca Popolare di Bari and MPS, which reinforced AMCO's closeness to the Italian Government. Fitch Ratings has thus maintained the alignment between the long-term rating of the parent company and the rating attributed to Italy.

On 27 October 2020, **S&P Ratings** confirmed the Investment Grade rating of AMCO S.p.A., with a Long-Term Issuer Credit Rating of 'BBB'. In addition, S&P has improved the outlook to Stable from Negative, in line with that of the Italian Government. The rating agency stated that, with the transactions relating to Banca Popolare di Bari and MPS, AMCO has confirmed that it plays a crucial role and is closely tied to the Government in derisking the balance sheets of troubled banks. S&P thus maintained the alignment between the Long-Term rating of AMCO and the Long-Term rating attributed to Italy.

On 14 January 2021, Fitch Rating upgraded AMCO's commercial, residential and asset-backed special servicer ratings to 'CSS2', 'RSS2' and 'ABSS2' from 'CSS2-', 'RSS2-' and 'ABSS2-'. Fitch mentions AMCO's business growth through multiple sources, demonstrating its ability to successfully pursue its business strategy.

## **OTHER SIGNIFICANT EVENTS AFTER 31 DECEMBER 2020**

Starting from January 2020, the national and international scenario was characterized by the spread of Coronavirus and the consequent restrictive measures for its containment, implemented by the public authorities of the countries concerned. These circumstances, extraordinary in nature and extent, have direct and indirect repercussions on economic activity and have created a context of general uncertainty, the evolution of which and its effects are not predictable. Any support measures defined by the national authorities (such as, but not limited to, moratoriums on the payment of mortgages and loans) might have an impact on the Group's future collections and, consequently, on its profitability.

The events summarized below are also specified, in addition to those previously discussed.

In the first few months of 2021, the transfer agreement between AMCO and Banca Carige S.p.A. is expected to be finalized for the sale by the latter to AMCO of a non-performing leasing portfolio.

## **NEW OPERATIONAL DEVELOPMENTS**

As of 1 January 2021, the **Real Estate Division** was created, operating in close collaboration with the Workout and UTP Divisions. Thanks to a team of specialists, AMCO has the skills necessary to implement targeted strategies to enhance collaterals' value of secured loans and competences to manage proprietary real estate assets (Reoco/Leasing) through a wide range of activities.

On 1 February 2021, AMCO announced the conclusion of a **competitive procedure for the outsourcing** of NPEs amounting to approximately €3.3bn, following the acquisition of the MPS portfolio. The competitive process was launched in October 2020 and involved a total of approximately 40 servicers. AMCO thus consolidated its partnership with 12 leading Italian servicers that manage specific clusters of NPEs in outsourcing on behalf of AMCO. The active collaboration with an increasing number of leading servicers in the Italian market allows AMCO to continue leveraging its operating model.

## STATEMENT BY THE MANAGER IN CHARGE OF PREPARING THE COMPANY'S FINANCIAL REPORTS

I, Silvia Guerrini, in my capacity as the Manager in charge of preparing the company's financial reports, do hereby declare, pursuant to paragraph 2 of Article 154-bis of the Consolidated Finance Act, that the accounting information contained in this press release corresponds to the documented results, financial accounts and accounting records.



### **AMCO – Asset Management Company S.p.A.**

*With €34 billion NPEs at the end of 2020, of which €14 billion of UTPs, relating to 45 thousand Italian corporates, and twenty years of history (as SGA), AMCO is leader in the management of impaired loans, acting as a point of reference on the NPE market in Italy, at the service of the country and the real economy.*

*Owned by the Ministry for the Economy and Finance, it is a full-service credit management company that operates on the market. Supervised nationally by the Bank of Italy and “Corte dei Conti” and internationally by DG Competition, which analyses and monitors transactions, AMCO operates according to a flexible, innovative business model that respects debtors, creditors, originating banks, bondholders and individuals.*

*The management approach pays attention to avoid creating financial and reputational stress and aims to foster corporates' sustainability, also by directly granting new lending to foster corporates' continuity and their industrial relaunch, thereby putting resources and energy back into circulation for the country's economic system.*

*Thanks to a management strategy tailored for NPLs and UTPs and the competences and specialised skills of its 287 professionals operating out of Milan, Naples and Vicenza, AMCO fully addresses all phases of the NPE management process and any type of portfolio, even the largest, thanks to its effective and flexible operating structure.*

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## CONSOLIDATED INCOME STATEMENT

€000	31/12/2019	31/12/2020
10. Interest and similar income	34,787	105,335
20. Interest and similar expenses	(8,681)	(41,226)
<b>30. Interest margin</b>	<b>26,087</b>	<b>64,109</b>
40. Fees and commissions income	47,340	49,232
50. Fees and commissions expenses	(1,101)	(1,147)
<b>60. Net fees and commissions</b>	<b>46,239</b>	<b>48,085</b>
70. Dividends and similar revenues		13
80. Trading activities net result		(7,779)
100. Profit/loss on sale/repurchase of:		
a) financial assets at amortized cost	(993)	2,836
b) financial assets at fair value with impact on comprehensive income	4,100	21,899
c) financial liabilities		
110. Net result of other assets and financial liabilities at fair value with impact on the income statement:		
a) financial assets and liabilities at fair value		
b) other financial assets necessarily measured at fair value	17,803	19,054
<b>120. Brokerage margin</b>	<b>93,235</b>	<b>148,216</b>
130. Net value adjustments/reversals for credit risk of:		
a) financial assets at amortized cost	13,115	(4,465)
b) financial assets at fair value with impact on comprehensive income	(1,297)	1,226
<b>150. Net result of financial management</b>	<b>105,053</b>	<b>144,978</b>
160. Administrative expenses:		
a) HR expenses	(23,580)	(29,987)
b) other administrative expenses	(24,913)	(28,926)
170. Net provisions for risks and charges	(3,611)	227
a) commitments and guarantees given		
b) other net provisions		
180. Net adjustments/reversals of impairment losses on property, plant and equipment	(1,477)	(1,804)
190. Net adjustments/reversals of impairment losses on intangible fixed assets	(38)	(262)
200. Other operating income and expenses	(5,955)	(13,997)
<b>210. Operating costs</b>	<b>(59,574)</b>	<b>(74,748)</b>
220. Profits (losses) from equity investments	(144)	5
250. Gains (losses) on disposal of investments	(0)	
<b>260. Profit (loss) from continuing operations before tax</b>	<b>45,335</b>	<b>70,234</b>
270. Income tax for the year on current operations	(3,024)	5,775
<b>280. Profit (loss) from continuing operations after tax</b>	<b>42,311</b>	<b>76,009</b>
290. Profit (loss) from discontinued operations after tax		
<b>300. Profit (loss) for the year</b>	<b>42,311</b>	<b>76,009</b>

**BALANCE SHEET  
CONSOLIDATED FINANCIAL REPORT  
ASSETS**

€000	31/12/2019	31/12/2020
10. Cash and cash equivalents	0	0
20. Financial assets at fair value with impact on income statement		
a) financial assets held for trading		267
b) financial assets at fair value		
c) other financial assets necessarily measured at fair value	559.709	658.534
30. Financial assets at fair value with impact on comprehensive income	844.803	60.036
40. Financial assets at amortized cost		
a) loans and receivables with banks	324.338	251.585
b) loans and receivables with financial companies	6.660	381.766
c) loans receivables with customers	972.740	5.304.456
50. Hedging derivatives		
60. Change in value of financial assets subject to generic hedging (+/-)		
70. Equity investments	14	10
80. Property, plant and equipment	6.237	2.941
90. Intangible assets	579	1.736
100. Tax assets		
a) current	11.238	10.789
b) pre-paid	68.673	199.898
110. Non-current assets and groups of assets held for disposal		
120. Other assets	24.717	28.355
<b>Total assets</b>	<b>2.819.708</b>	<b>6.900.372</b>

**BALANCE SHEET  
CONSOLIDATED FINANCIAL REPORT  
LIABILITIES AND NET EQUITY**

€000	31/12/2019	31/12/2020
10. Financial liabilities at amortized cost		
a) payables	5.787	1.046.059
b) debt securities in issue	909.720	2.906.006
20. Financial liabilities held for trading		4
30. Financial liabilities at fair value		
40. Hedging derivatives		
50. Change in value of financial liabilities of a generic hedge (+/-)		
60. Tax liabilities		
a) current	6.543	4.352
b) deferred	1.658	1.723
70. Liabilities associated with discontinued operations		
80. Other liabilities	52.353	97.364
90. Post-employment benefits	593	591
100. Provisions for risks and charges		
a) commitments and guarantees issued		
b) pensions and similar obligations	48	125
c) provisions for risks and charges	20.143	20.096
110. Share capital	600.000	655.154
120. Treasury shares (-)		-70
130. Equity instruments		
140. Share premiums	403.000	604.552
150. Reserves	779.011	1.498.311
160. Valuation reserves	-1.460	-9.903
170. Profit (Loss) for the year	42.311	76.009
<b>Total liabilities and net equity</b>	<b>2.819.708</b>	<b>6.900.372</b>

## INCOME STATEMENT SEPARATE FINANCIAL REPORT

€000	31/12/2019	31/12/2020
10. Interest income and similar revenues	29.588.906	101.756.411
20. Interest and similar expenses	-8.396.996	-40.164.303
<b>30. Interest Margin</b>	<b>21.191.910</b>	<b>61.592.108</b>
40. Income from fees and commissions	47.422.845	49.571.444
50. Expenses for fees and commissions	-1.081.751	-964.997
<b>60. Net fees and commissions</b>	<b>46.341.094</b>	<b>48.606.447</b>
70. Dividends and similar revenues		12.770
80. Net result of trading activities		-7.779.347
100. Profit/loss on sale/repurchase of		
<i>a) financial assets at amortized cost</i>	-993.159	2.835.702
<i>b) financial assets at fair value through other comprehensive income</i>	4.099.565	21.899.396
<i>c) financial liabilities</i>		
110. Net result of other financial assets and liabilities at fair value through profit and loss:		
<i>a) financial assets and liabilities at fair value</i>		
<i>b) other financial assets necessarily measured at fair value</i>	17.819.504	14.159.694
<b>120. Brokerage margin</b>	<b>88.458.914</b>	<b>141.326.770</b>
130. Net value adjustments/reversals for credit risk of:		
<i>a) financial assets at amortized cost</i>	13.120.698	112.574
<i>b) financial assets at fair value through other comprehensive income</i>	-1.313.807	1.225.940
<b>150. Net result of financial management</b>	<b>100.265.805</b>	<b>142.665.284</b>
160. Administrative expenses:		
<i>a) hr expenses</i>	-23.580.284	-29.986.939
<i>b) other administrative expenses</i>	-23.695.253	-27.822.379
170. Net provisions for risks and charges	-3.610.806	226.656
<i>a) commitments and guarantees issued</i>		
<i>b) other net provisions</i>		
180. Net value adjustments/reversals on property, plant and equipment	-1.476.690	-1.803.581
190. Net value adjustments/reversals on intangible fixed assets	-37.536	-261.639
200. Other operating income and expenses	-5.950.477	-13.996.338
<b>210. Operating costs</b>	<b>-58.351.046</b>	<b>-73.644.220</b>
220. Net gains(losses) on equity investments	-144.154	4.901
230. Net result of fair value measurement of property, plant and equipment and intangible assets		
240. Value adjustments from goodwill		
250. Profits(losses) from disposal of investments	-149	
<b>260. Profit (loss) from current operations before tax</b>	<b>41.770.456</b>	<b>69.025.964</b>
270. Income tax for the year on current operations	-1.875.418	5.774.719
<b>280. Profit (loss) from current operations after tax</b>	<b>39.895.038</b>	<b>74.800.684</b>
<b>290. Profit (loss) from discontinued operations after tax</b>		
<b>300. Profit (loss) for the period</b>	<b>39.895.038</b>	<b>74.800.684</b>

**BALANCE SHEET  
SEPARATE FINANCIAL REPORT  
ASSETS**

<b>ASSETS - Amounts in Euro</b>		<b>31/12/2019</b>	<b>31/12/2020</b>
10.	Cash and cash equivalents	116	116
20.	Financial assets at fair value through profit and loss		
	<i>a) financial assets held for trading</i>		266.598
	<i>b) financial assets at fair value</i>		
	<i>c) other financial assets necessarily measured at fair value</i>	594.105.485	687.869.530
30.	Financial assets at fair value through other comprehensive income	844.802.701	60.035.709
40.	Financial assets at amortized cost		
	<i>a) loans and receivables from banks</i>	317.836.110	247.338.684
	<i>b) loans and receivables from financial companies</i>	6.742.983	381.766.346
	<i>c) loans and receivables from customers</i>	880.387.611	5.219.432.034
50.	Hedging derivatives		
60.	Change in value of financial assets subject to generic hedging (+/-)		
70.	Equity investments	13.727	9.826
80.	Property, plant and equipment	6.237.387	2.941.047
90.	Intangible assets	578.640	1.735.633
100.	Tax assets		
	<i>a) current</i>	11.238.231	10.788.961
	<i>b) pre-paid</i>	68.673.463	199.897.622
110.	Non-current assets and groups of assets held for sale		
120.	Other assets	24.859.301	28.323.115
	<b>Total assets</b>	<b>2.755.475.755</b>	<b>6.840.405.221</b>

**BALANCE SHEET  
SEPARATE FINANCIAL REPORT  
LIABILITIES AND NET EQUITY**

LIABILITIES AND EQUITY ITEMS – Amounts in Euro	31/12/2019	31/12/2020
10. Financial liabilities at amortized cost		
<i>a) debts</i>	5.786.932	1.046.059.132
<i>b) securities in circulation</i>	850.515.782	2.851.217.986
20. Financial liabilities held for trading		4.281
30. Financial liabilities at fair value		
40. Hedging derivatives		
50. Change in value of financial liabilities (+/-)		
60. Tax liabilities		
<i>a) current</i>	5.394.438	4.352.110
<i>b) deferred</i>	1.658.394	1.723.016
70. Liabilities from discontinued operations		
80. Other liabilities	50.889.347	96.961.868
90. Post-employment benefits	592.961	590.583
100. Provisions for risks and charges		
<i>a) commitments and guarantees issued</i>		
<i>b) pensions and similar obligations</i>	47.650	124.777
<i>c) provisions for risks and charges</i>	20.143.332	20.095.921
110. Share capital	600.000.000	655.153.674
120. Treasury shares (-)		-70.067
130. Equity instruments		
140. Share premiums	403.000.000	604.552.228
150. Reserves	779.011.454	1.494.742.475
160. Valuation reserves	-1.459.573	-9.903.447
170. Profit (Loss) for the period	39.895.038	74.800.684
<b>Total liabilities and net equity</b>	<b>2.755.475.755</b>	<b>6.840.405.221</b>