

Cassa Centrale Group
strong growth in the first half of the year: profit +46%, net NPL of 1.4%,
loans exceeding 50 billion and direct funding of 65 billion

The results for the first six months of 2022 mark constant growth compared to the same period of 2021. The consolidated net profit rose to 446 million. The CET1 ratio is 22.3%, confirming the Group's solidity and revenue-generating capacity, despite the difficult economic environment.

Trento, 17 August 2022 – The Cassa Centrale Cooperative Banking Group presents its half-yearly balance sheet and income statement results.

"In the first six months of 2022", affirmed **Giorgio Fracalossi, Chairman of Cassa Centrale Banca**, "the Group once again demonstrated its capacity to best meet the needs of our partners and customers through the ongoing commitment of the affiliated Banks, within a context of extreme uncertainty due to the ongoing conflict between Russia and Ukraine and the situation in the international markets. We are a national Banking Group, and our role of providing local service and support, thanks to the relationships that Cooperative Credit Banks-Rural Banks-Raiffeisenkassen have always engaged in with local communities, is an integral part of our mission, especially in difficult moments like this one".

The **Cassa Centrale Group**, supported by a widespread network which as at 30.06.2022 relies on **69 affiliated banks, 11,500 employees**, more than **450 thousand cooperative partners** and **nearly 1,500 branches** across the entire country, in the first six months of 2022 indeed recorded a general improvement in its financial and operational indicators.

The **Group's net profit** amounted to **EUR 446 million**, marking significant growth compared to 306 million in the first half of 2021 (**+45.7%**).

As concerns the capital ratios, the **CET1 ratio** and the **Total Capital Ratio** grew further to **22.3%**: one of the highest levels within the national banking landscape.

Direct funding was basically stable compared to 31.12.2021 at **EUR 65 billion**. **Gross loans** were up compared to the end of the year by **2.84%** to **more than EUR 50 billion**.

The **gross NPL ratio fell further to 5%** (from 5.5% at the end of 2021) with a **net NPL ratio of 1.4%** thanks to **coverage of 76%** (from 74% at the end of 2021), positioning the Group at the highest levels of the Italian banking industry. Although no tensions have emerged to date, the continuation of the crisis

triggered by the Covid pandemic – now aggravated by price trends in recent months and the evolution of the Ukraine-Russia war – requires constant monitoring to promptly identify any signs of deterioration.

At 30 June 2022, the **Group's interest margin** came to **EUR 943 million** (665 million in the first half of 2021) thanks on one hand to the contribution of the **securities segment (+148 million)** and on the other to the contribution of **lending (+16 million)**, as a result of the **growth in the volumes of loans disbursed** and the **average return of loan assets**, both of which exceeded expectations.

The **commission margin** rose compared to the first half of 2021 **by 7.1%**, from 337 million in the first half of 2021 **to 361 million** at 30/06/2022.

"Behind our half-yearly results", commented **Sandro Bolognesi, Chief Executive Officer of Cassa Centrale Banca**, "is the constant and valuable work of all of our people, who have made the Cassa Centrale Group a robust, efficient bank with some of the best numbers at national level. The data confirm the validity of our business model and the progress we have made on our path of growth and development. Over the next six months, we will be making efforts to achieve the key goals of the new strategic plan: reinforcement of our distribution and organisational model as a local bank, development of technology to support customer relationships with a view to digitalisation as well as innovation, and investments in our people and sustainability projects. The objective is to confirm the Group's resilience and its capacity to react and adapt to a severe economic environment, while continuing to provide ongoing support to our customers".

The Cassa Centrale Banca - Credito Cooperativo Italiano Cooperative Banking Group includes 69 banks and 1,483 branches across Italy, nearly 11,500 employees and more than 450 thousand Cooperative Partners. With assets of more than 95.8 billion, it is one of the top ten Italian banking Groups. Its total gross loans exceed 50 billion, while direct funding stands at 65 billion. With a CET1 ratio of 22.3%, it is one of Italy's most solid Groups.