

## The results achieved in the first half of 2024 consolidate the growth path of the Cassa Centrale Group

- **Growth in overall customer funding to € 117 billion (+5.5% during 1H 2024) and lending exposure stable compared to ye 2023 at € 50 billion**
- **Solid capital position at the top of the banking system: CET1 ratio of 26%**
- **Constant monitoring of non-performing loans: conservative net NPL ratio (0.7%)<sup>1</sup> and high coverage ratio (82%)**
- **Consolidated net result for the 1H 2024 of € 577 million in line with the results of the previous year**

**Trento, 29.08.2024** – The results for the first half of 2024 consolidate the ties of the Cassa Centrale Group with the territory, as confirmed by the growth in customer funding volumes and by the stability of the volume of loans in an uncertain macroeconomic context that does not encourage investment and credit demand. The strategic initiatives of the Business Plan have enabled the achievement of satisfactory economic results and a progressive diversification of revenues.

“In line with the cooperative principles that underpin our actions – says **Chairman Giorgio Fracalossi** – and strengthened by these results, we will be able to continue to play our role at the service of the communities and the Country. On the back of the excellent financial results and the increased capacity for industrial intervention, the number of our branches on the territory has remained constant, enabling a precise desire for proximity, a distinctive feature of our history that we want to keep current”.

“The Group's positive performance also in the first half of 2024 - comments **CEO Sandro Bolognesi** - is a source of great satisfaction. The savings that our Stakeholders and Customers entrust to us are growing significantly and this allows us to finance a significant share of the investments of Italian families and small businesses. In these 5 years since the establishment of the Group, together with the Affiliated Banks we have achieved results of great value for the economic fabric of the territories, which have translated into positive financial and economic results, that we invest in technology and in the improvement of customer service”.

### Consolidated income statement: key figures

**Net interest income** for the first half of 2024 amounted to € 1,235 million, showing an increase of 5.2% compared to June 2023, when it stood at € 1,174 while **net commissions** reached €397 million, up 3% compared to results in the first half of 2023 and in line with the Plan targets set for 2024. **Net banking income** rose to €1.5 billion up 4% compared to the same period of the previous year. **Operating costs** amounted to €865 million (+2.3% from June 2023), growing less than estimates included in the budget.

As at 30 June 2024, the **Group's cost income ratio**<sup>2</sup> was 57%, down from the first half of 2023 when it stood at 58%.

**Net loan write-backs for credit risk** amounted to € 36 million with an overall coverage ratio of non-performing loans that remained above 80%.

**Profit before tax** was in line with results in 1H 2023, reaching € 685 million. After **income taxes** of € 108 million, the **net profit** was € 577 million (€ 587 million in 2023).

### Consolidated balance sheet: key figures

**Direct funding**<sup>3</sup> amounted to € 69.5 billion, recording an increase of 4% compared to year-end values and exceeding Budget expectations, with growth in all territories where the Group operates.

**Indirect funding** recorded significant growth of 7.4% compared to the end of December 2023 to € 47 billion led by the positive trend for Assets under Administration (to € 20.5 billion +8.8% since the beginning of the year) and Assets under Management (€ 18.7 billion +8.3% during 1H 24).

The **Group's total funding** amounted to € 116.9 billion, split for 59% and 41% respectively between direct and indirect funding.

In June 2024, **gross loans to customers** were € 50 billion, in line with the stock as at December 2023, reflecting the persistence of weak demand for credit at the systemic level. Performing loans amounted to € 47.9 billion while non-performing loans amounted to € 2.1 billion.

With reference to the breakdown of gross non-performing loans, **bad loans** amounted to € 0.7 billion, **unlikely to pay** amounted to € 1.4 billion and **past due loans** amounted to € 85 million.

The **gross NPL ratio** remained in line with year-end values at 4.2%, while the net **NPL ratio** was 0.7%.

The overall **coverage ratio** of non-performing loans was 82% (85% at December 2023) and remains among the most conservative with a coverage of bad loans of 91%.

The stock of **financial securities** saw a reduction to € 34.3 billion, compared to € 35.6 billion at the end of 2023 due to the scheduled repayment of maturing ECB refinancing operations.

### Capital ratios and liquidity indicators

The capital ratios as at 30 June 2024 are the following:

- *Common Equity Tier 1 (CET1) ratio Phase-in 26,1% (24,6% as at 31 December 2023);*
- *Total Capital ratio Phase-in 6,1% (24,6% as at 31 December 2023);*

The **Group's' equity**, including the result for the period, was €8.7 billion, up by €465 million (+5.7%) since the end of 2023.

LCR ("*Liquidity Coverage Ratio*") and NSFR ("*Net Stable Funding Ratio*") liquidity indicators, as of June 30, 2024, were 298%, and 178% respectively

### Key structure data

The Cassa Centrale Banca Group has a network of 1,479 branches across Italy. As at 30 June 2024, the Group employed 12,226 people compared to 12,016 at the end of 2023.

*The Cassa Centrale Group - Credito Cooperativo Italiano is composed of 65 BCCs - Rural Banks - Raiffeisenkassen and 1,479 branches throughout Italy, more than 12 thousand employees and over 470 thousand Cooperative Members. With a balance sheet surplus of € 88 billion as of 30.06.2024, the Group ranks among the top 10 nationally.*

Contacts:

Investor Relations

[investor.relations@cassacentrale.it](mailto:investor.relations@cassacentrale.it)

**Income statement (€ mn)**

ITEM		30/06/2024	30/06/2023
10.	Interest income	1,732	1,584
	of which: interest income calculated using the effective interest method	1,716	1,572
20.	Interest expense	(497)	(410)
<b>30.</b>	<b>Net interest income</b>	<b>1,235</b>	<b>1,174</b>
40.	Fees and commissions income	478	447
50.	Fees and commissions expense	(81)	(62)
<b>60.</b>	<b>Net fees and commissions</b>	<b>397</b>	<b>385</b>
70.	Dividend and similar income	3	3
80.	Net result from trading	9	(1)
90.	Net result from hedging	-	2
100.	Profit (Loss) from disposal/repurchase of:	(129)	(107)
	a) financial assets measured at amortised cost	(114)	(59)
	b) financial assets measured at fair value through other comprehensive income	(15)	(48)
	c) financial liabilities	-	-
110.	Net result of other financial assets and liabilities measured at fair value through profit or loss	2	2
	a) financial assets and liabilities designated at fair value	-	-
	b) other financial assets mandatorily measured at fair value	2	2
<b>120.</b>	<b>Net interest and other banking income</b>	<b>1,517</b>	<b>1,458</b>
130.	Net value adjustments/write-backs due to credit risk relative to:	36	73
	a) financial assets measured at amortised cost	36	73
	b) financial assets measured at fair value through other comprehensive income	-	-
140.	Profit (Loss) from contractual changes without derecognitions	(1)	-
<b>150.</b>	<b>Net income from financial activities</b>	<b>1,552</b>	<b>1,531</b>
<b>180.</b>	<b>Net income from financial and insurance activities</b>	<b>1,552</b>	<b>1,531</b>

ITEM	30/06/2024	30/06/2023
190. Administrative expenses:	(915)	(883)
a) staff expenses	(526)	(479)
b) other administrative expenses	(389)	(404)
200. Net allocations to provisions for risks and expenses	14	-
a) commitments and guarantees given	9	2
b) other net allocations	5	(2)
210. Net value adjustments/write-backs to tangible assets	(53)	(52)
220. Net value adjustments/write-backs to intangible assets	(8)	(7)
230. Other operating expenses/income	97	96
<b>240. Operating costs</b>	<b>(865)</b>	<b>(846)</b>
250. Profit (loss) on equity investments	(3)	(1)
270. Value adjustments to goodwill	-	-
280. Profit (loss) from disposal of investments	1	2
<b>290. Profit (loss) before tax from current operating activities</b>	<b>685</b>	<b>686</b>
300. Income taxes for the year on current operating activities	(108)	(99)
<b>310. Profit (loss) after tax from current operating activities</b>	<b>577</b>	<b>587</b>
<b>330. Profit (loss) for the year</b>	<b>577</b>	<b>587</b>
340. Profit (loss) for the year for minority interests	-	-
<b>350. Profit (loss) for the Parent Company</b>	<b>577</b>	<b>587</b>

**Balance sheet (€ mn)**

<b>ASSETS</b>		<b>30/06/2024</b>	<b>31/12/2023</b>
10.	Cash and cash equivalents	762	734
20.	Financial assets measured at fair value through profit or loss	247	294
	a) financial assets held for trading	8	5
	b) financial assets designated at fair value	1	1
	c) other financial assets mandatorily measured at fair value	238	288
30.	Financial assets measured at fair value through other comprehensive income	11,015	11,050
40.	Financial assets measured at amortised cost	71,470	72,880
	a) loans to banks	1,391	1,397
	b) loans to customers	70,079	71,483
50.	Hedging derivatives	95	84
60.	Fair value change of financial assets in hedged portfolios (+/-)	(91)	(79)
70.	Equity investments	53	54
90.	Tangible assets	1,225	1,222
100.	Intangible assets	97	84
	of which:	-	-
	- goodwill	27	27
110.	Tax assets	507	585
	a) current	101	115
	b) deferred	406	470
120.	Non-current assets and groups of assets held for disposal	1	1
130.	Other assets	2,657	2,670
<b>Total assets</b>		<b>88,038</b>	<b>89,579</b>

LIABILITIES AND EQUITY		30/06/2024	31/12/2023
10.	Financial liabilities measured at amortised cost	77,282	79,218
	a) due to banks	5,689	10,216
	b) due to customers	64,924	63,299
	c) debt securities in issue	6,669	5,703
20.	Financial liabilities held for trading	3	4
30.	Financial liabilities designated at fair value	1	1
40.	Hedging derivatives	2	4
60.	Tax liabilities	37	49
	a) current	25	24
	b) deferred	12	25
80.	Other liabilities	1,512	1,561
90.	Provision for severance indemnity	84	90
100.	Provisions for risks and charges	431	432
	a) commitments and guarantees given	138	147
	b) post-employment benefits	-	-
	c) other provisions for risks and charges	293	285
120.	Valuation reserves	(40)	(20)
140.	Equity instruments	1	1
150.	Reserves	7,662	6,889
160.	Share premium	77	76
170.	Share Capital	1,277	1,271
180.	Own shares (-)	(868)	(868)
200.	Profit (loss) for the year (+/-)	577	871
<b>Total liabilities and equity</b>		<b>88,038</b>	<b>89,579</b>

<sup>1</sup> The calculation of gross and net NPL ratios was carried out on the basis of the EBA data model (EBA methodological guidance on risk indicators - updated June 2023).

<sup>2</sup> The cost income ratio is calculated on the basis of the income statement reclassified as the ratio of operating costs to net banking income.

<sup>3</sup> Includes payables to customers and securities outstanding (excluding securities to banks).