



**GRUPPO BCC**

ICCREA

# **9M24 RESULTS**

## **Credit Update**

*Rome, November 13, 2024*

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Certain data in this Presentation may have been rounded. As a result of such rounding, the totals of data prescribed in this Presentation may vary slightly from the arithmetic total of such data.

The consolidated financial statements as at 30 September 2024 used for the preparation of this document were subjected to a limited audit by the auditing firm Forvis Mazars S.p.A. for the sole purpose of issuing the certificate required by Article 26, paragraph 2 of Regulation (EU) no. 575/2013 of 26 June 2013 (CRR) and European Central Bank Decision no. 2015/656. This is the certificate required for the application to be submitted to the ECB for the inclusion of the result for the period in common equity tier 1 (CET1).



**AGENDA**

**HIGHLIGHTS**

**9M24 RESULTS**

**ANNEXES AND CONTACTS**

# 9M24 RESULTS: ONGOING RESILIENT AND GROWING RESULTS

## BALANCE SHEET

Direct Funding<sup>1</sup>

**€135 bn**

(€135 bn Dec.23)

Net Loans

**€93 bn**

(€91 bn Dec.23)

Own Funds

**€15.9 bn**

(€14.3 bn Dec.23)

## P&L

Revenues

**€4.5 bn**

(+7.7% 9M/9M)

Cost of Credit

**32 bps**

(45bps 9M23)

Net Income

**€1.7 bn**

(+19.8% 9M/9M)

## ASSET QUALITY

Net NPL Ratio

**1.0%**

Coverage  
Stage 3

**72.9%**

Coverage  
Stage 1

**40bps**

## CAPITAL

CET1 ratio

**23.7%**

TC Ratio

**24.8%**

Texas Ratio<sup>2</sup>

**6%**

## LIQUIDITY

LCR

**277%**

NSFR

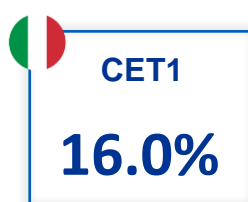
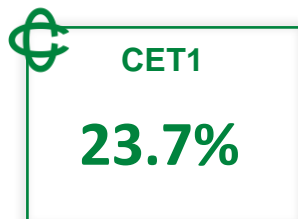
**158%**

Liquidity  
Reserves

**€44 bn**

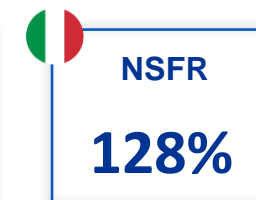
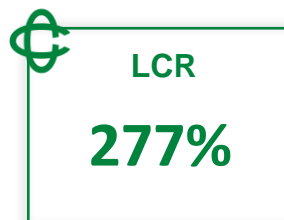
# STRONG POSITIONING IN THE ITALIAN BANKING SECTOR

## CAPITAL RATIO

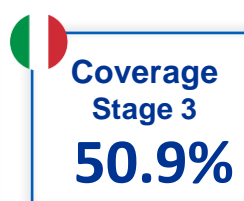
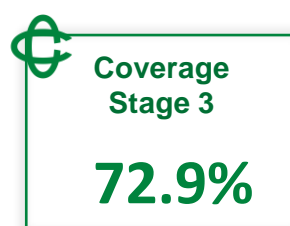
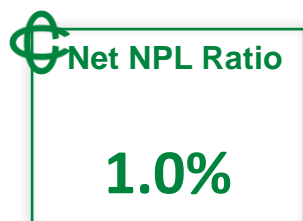


Gruppo BCC Iccrea is the **first** banking group in Italy\* in terms of capital and liquidity ratios.

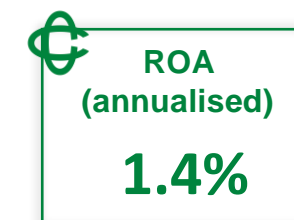
## LIQUIDITY



## ASSET QUALITY



## PROFITABILITY



# STRONG IMPROVEMENTS ON ALL BALANCE SHEET AND FINANCIAL INDICATORS ACHIEVED SINCE THE ESTABLISHMENT OF THE GROUP

	FY19	FY23	9M24	Δ FY19 -9M24
<b>VOLUMES</b>				
Loans to customers <i>Market share</i>	85.2 €/bn 4.9%	90.9 €/bn 6.2%	93.6 €/bn** 6.3%*	Market share +1.4 pp
Liabilities to customers <i>Market share</i>	105.6 €/bn 6.0%	122.5 €/bn 6.4%	120.6 €/bn 6.4%*	Market share +0.4 pp
<b>ASSET QUALITY</b>				
Gross NPL Ratio	11.6%	3.9%	3.6%	-8 pp
Net NPL Ratio	6.1%	1.1%	1.0%	-5.1 pp
<b>PROFITABILITY</b>				
Cost / Income	73.9%	55.4%	50.8%	-23.1 pp
ROE	2.4%	13.4%	14.4%	+12 pp
<b>CAPITAL</b>				
CET1r	15.5%	21.1%	23.7%	+8.2 pp
TCR	16.3%	22.2%	24.8%	+8.5 pp

## CREDIT RATINGS: A FULL INVESTMENT GRADE STATUS

FitchRatings

S&P Global  
Ratings

MORNINGSTAR | DBRS

MORNINGSTAR | SUSTAINALYTICS\*

2020

Long Term

Outlook

BB-

Stable

BB

Negative

BB  
(high)

Stable

ESG

TODAY

Long Term

Outlook

BBB-

+3  
Notch

STABLE

INVESTMENT  
GRADE

BBB-

+2  
Notch

POSITIVE

INVESTMENT  
GRADE

BBB

+2  
Notch

STABLE

INVESTMENT  
GRADE

ESG

14.4 LOW RISK





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## P&L 9M24 vs 9M23

(€mln)	9M24	9M23	Δ 9M23 vs 9M24	Δ % 9M23 vs 9M24
Net interest income	3,310	2,982	328	11.0%
Net fees and commission income (expense)	1,032	1,009	23	2.3%
Other financial income	159	188	(29)	(15.3%)
<b>Gross Income</b>	<b>4,501</b>	<b>4,179</b>	<b>322</b>	<b>7.7%</b>
Net writedowns / writebacks for credit risk	(225)	(304)	79	(25.9%)
<b>Operating expenses</b>	<b>(2,288)</b>	<b>(2,237)</b>	<b>(51)</b>	<b>2.3%</b>
Personnel expenses	(1,471)	(1,367)	(103)	7.5%
Other administrative expenses	(880)	(925)	46	(4.9%)
Net provisions	(22)	(13)	(9)	67.4%
Net adjustments	(169)	(173)	4	(2.4%)
Other operating expenses/income	254	243	12	4.9%
<b>Operating Result</b>	<b>1,988</b>	<b>1,638</b>	<b>350</b>	<b>21.4%</b>
Other	(3)	16	(19)	(115.7%)
<b>Profit before taxes</b>	<b>1,986</b>	<b>1,654</b>	<b>332</b>	<b>20.1%</b>
Taxes	(338)	(258)	(80)	31.2%
Profit after tax from discontinued operations	32	5	27	551.9%
<b>Net profit (loss)</b>	<b>1,679</b>	<b>1,401</b>	<b>278</b>	<b>19.8%</b>

## BALANCE SHEET 9M24 vs 2023

Assets (€mln)	Sept-24	Jun-24	Dec-23	Δ Sept-24 vs Dec-23	Δ % Sept-24 vs Dec-23
Financial Assets*	58,336	60,125	61,126	(2,790)	(4.6%)
Net loans to customers	93,603	93,006	90,886	2,717	3.0%
Net loans to banks	3,323	2,951	7,613	(4,290)	(56.3%)
Other assets	9,384	10,109	14,888	(5,504)	(37.0%)
<b>Total Assets</b>	<b>164,645</b>	<b>166,191</b>	<b>174,513</b>	<b>(9,867)</b>	<b>(5.7%)</b>
<b>Liabilities and shareholders' equity (€mln)</b>	<b>Sept-24</b>	<b>Jun-24</b>	<b>Dec-23</b>	<b>Δ Sept-24 vs Dec-23</b>	<b>Δ % Sept-24 vs Dec-23</b>
Financial liabilities to customers	120,565	122,991	122,523	(1,958)	(1.6%)
Securities issued	14,613	14,554	12,350	2,263	18.3%
Financial liabilities to banks	8,081	10,103	17,923	(9,842)	(54.9%)
Other liabilities	5,886	3,795	7,828	(1,942)	(24.8%)
Group shareholders' equity	15,501	14,749	13,889	1,612	11.6%
<b>Total liabilities and shareholders' equity</b>	<b>164,645</b>	<b>166,191</b>	<b>174,513</b>	<b>(9,867)</b>	<b>(5.7%)</b>

## 3Q24 RESULTS: P&L QUARTERLY EVOLUTION

(€mln)	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	Δ 3Q24 vs 2Q24	Δ % 3Q24 vs 2Q24
Net interest income	957	991	1,035	1,113	1,088	1,113	1,110	(3)	-0.3%
Net fees and commission income (expense)	338	333	337	340	336	344	351	6	1.8%
Other financial income	31	46	110	(41)	73	33	54	21	64.5%
<b>Gross Income</b>	<b>1,326</b>	<b>1,371</b>	<b>1,482</b>	<b>1,411</b>	<b>1,497</b>	<b>1,490</b>	<b>1,514</b>	24	1.6%
Net writedowns / writebacks for credit risk	(22)	(175)	(107)	(104)	(43)	(136)	(46)	90	-66.0%
<b>Operating expenses</b>	<b>(711)</b>	<b>(846)</b>	<b>(680)</b>	<b>(859)</b>	<b>(735)</b>	<b>(841)</b>	<b>(712)</b>	129	-15.4%
Personnel expenses	(470)	(461)	(437)	(532)	(489)	(521)	(461)	61	-11.7%
Other administrative expenses	(270)	(397)	(259)	(327)	(272)	(331)	(277)	54	-16.3%
Net provisions	6	(15)	(5)	(36)	(3)	(22)	3	26	n.s.
Net adjustments	(56)	(58)	(60)	(76)	(58)	(58)	(54)	4	-7.0%
Other operating expenses/income	79	84	80	111	87	91	76	(15)	-16.8%
<b>Operating Result</b>	<b>594</b>	<b>349</b>	<b>695</b>	<b>449</b>	<b>720</b>	<b>512</b>	<b>756</b>	243	47.5%
Other	(1)	3	14	(8)	6	1	(9)	(9)	n.s.
<b>Profit before taxes</b>	<b>593</b>	<b>352</b>	<b>709</b>	<b>440</b>	<b>726</b>	<b>513</b>	<b>747</b>	234	45.6%
Taxes	(97)	(52)	(109)	(77)	(117)	(96)	(126)	(30)	31.2%
Profit after tax from discontinued operations	0	0	5	93	0	29	2	(27)	n.s.
<b>Net profit</b>	<b>496</b>	<b>301</b>	<b>605</b>	<b>457</b>	<b>610</b>	<b>446</b>	<b>623</b>	177	39.6%

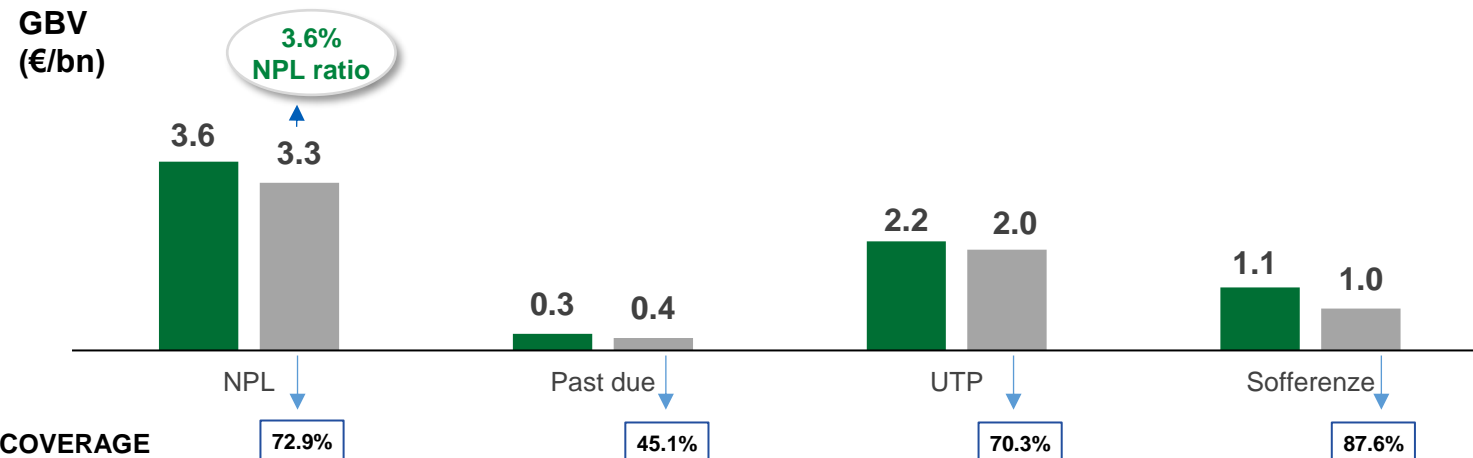
# ASSET QUALITY: NET NPL RATIO AT 1.0%. COVERAGE AT 72.9%

## Asset Quality - €/mln and ratio in %

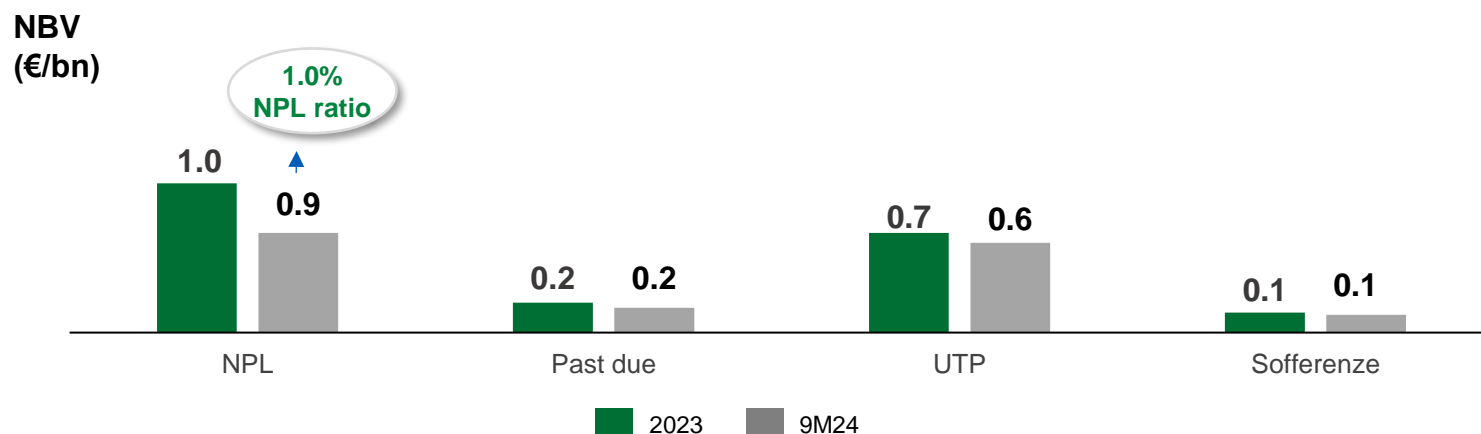
	Sept-24	Dec-23	Δ Dec-23	Δ % Dec-23
Past Due	357	327	30	9%
UTP	1,967	2,242	(274)	(12%)
Bad Loans	1,017	1,080	(63)	(6%)
<b>Gross Non-Performing Loans</b>	<b>3,342</b>	<b>3,649</b>	<b>(307)</b>	<b>(8%)</b>
Performing Loans - Stage 1	80,569	80,113	456	1%
Performing Loans - Stage 2	8,521	9,051	(530)	(6%)
<b>Total Gross Loans to customers</b>	<b>92,432</b>	<b>92,813</b>	<b>(381)</b>	<b>(0%)</b>
<b>Gross NPL Ratio</b>	<b>3.6%</b>	<b>3.9%</b>	<b>(0.3%)</b>	<b>(8%)</b>
Writedowns	2,435	2,636	(201)	(8%)
<b>Coverage Ratio NPL</b>	<b>72.9%</b>	<b>72.2%</b>	<b>0.6%</b>	<b>1%</b>
Coverage Ratio Past Due	45.1%	40.5%	4.6%	11%
Coverage Ratio UTP	70.3%	69.6%	0.6%	1%
Coverage Ratio Bad Loans	87.6%	87.3%	0.4%	0%
Coverage Ratio Performing Loans	0.8%	1.0%	(0.1%)	(15%)
Coverage Ratio Performing - Stage 1	0.4%	0.4%	(0.1%)	(13%)
Coverage Ratio Performing - Stage 2	5.0%	5.6%	(0.6%)	(11%)
Net Non-Performing Loans	907	1,013	(106)	(10%)
<b>Net NPL Ratio</b>	<b>1.0%</b>	<b>1.1%</b>	<b>(0.1%)</b>	<b>(10%)</b>

- Gross NPL ratio at 3.6% (3.9% as of December 31, 2023). Net NPL ratio at 1.0% (1.1% as of December 31, 2023). Stage 2: 9.2% of total gross loan portfolio. The evolution of the NPE Ratio also benefited from the de-risking activity carried out by Iccrea Banca (about €0.3 billion sold in 3Q).

## Gross NPL: Stock and ratio evolution

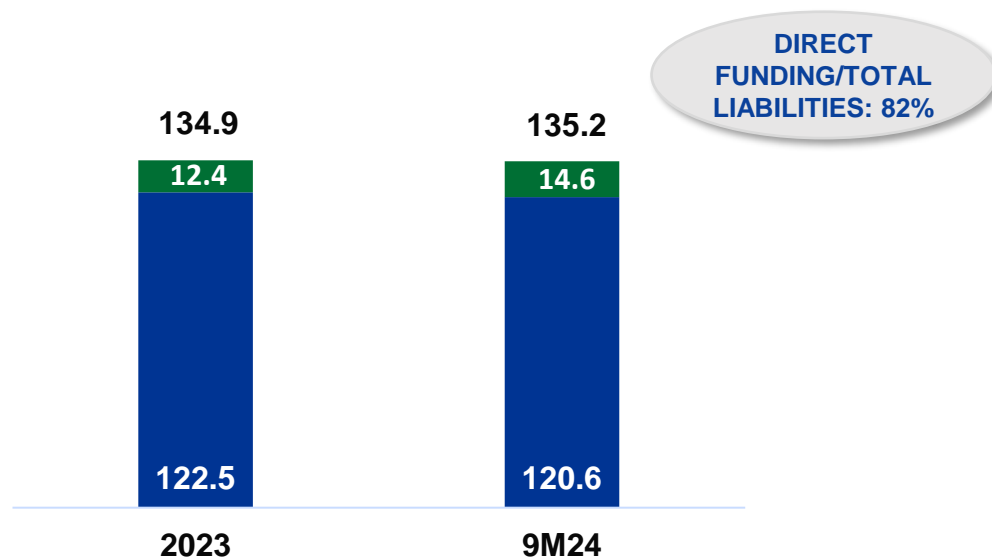


## Net NPL: Stock and ratio evolution



# DIRECT FUNDING: LCR AT 277% AND NSFR AT 158%. AMPLE LIQUIDITY BUFFERS : 44.3 €/BN

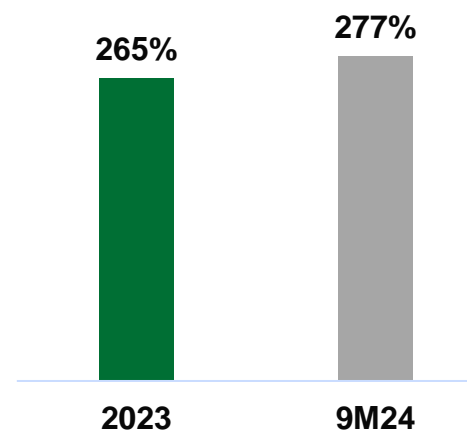
## Direct Funding Evolution - €/bn



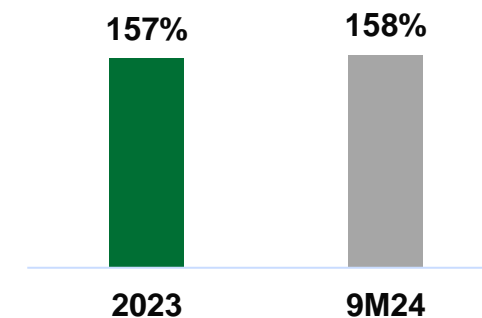
- Securities issued
- Financial liabilities to customers<sup>1</sup>

- Direct funding at €135.2 bn slightly up from 2023 level mainly thanks to securities issued.

## LCR



## NSFR



- Very strong liquidity position: LCR and NSFR at 277% and 158% respectively, well above the average of Italian peers.
- Ample liquidity reserves: €44.3 bn.

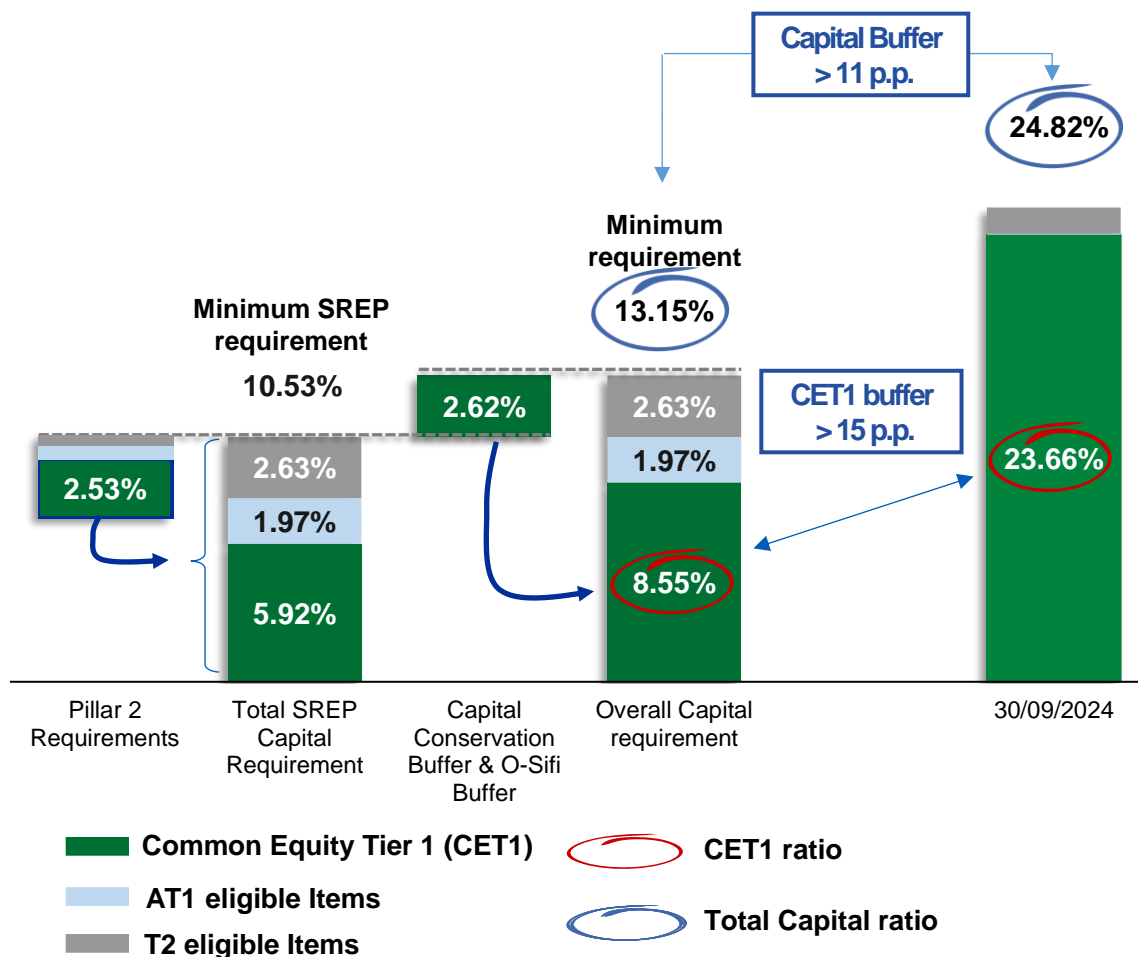
# LEADING CAPITAL POSITION: CET1 AT 23.7% AND TCR AT 24.8%

## Capital Position Evolution - €/mln

	Sept-24	Dec-23	Δ Dec-23
RWA	64,227	64,392	(165)
CET 1	15,194	13,572	1.622
Total Capital	15,943	14,302	1.641
<b>CET1 ratio</b>	<b>23.7%</b>	<b>21.1%</b>	<b>2.6%</b>
<b>TC ratio</b>	<b>24.8%</b>	<b>22.2%</b>	<b>2.6%</b>

- BCC Iccrea Group's capital position significantly exceeds its capital requirements, including in relation to SREP requirements effective January 1, 2024.

## Capital Buffer (phased in) - %



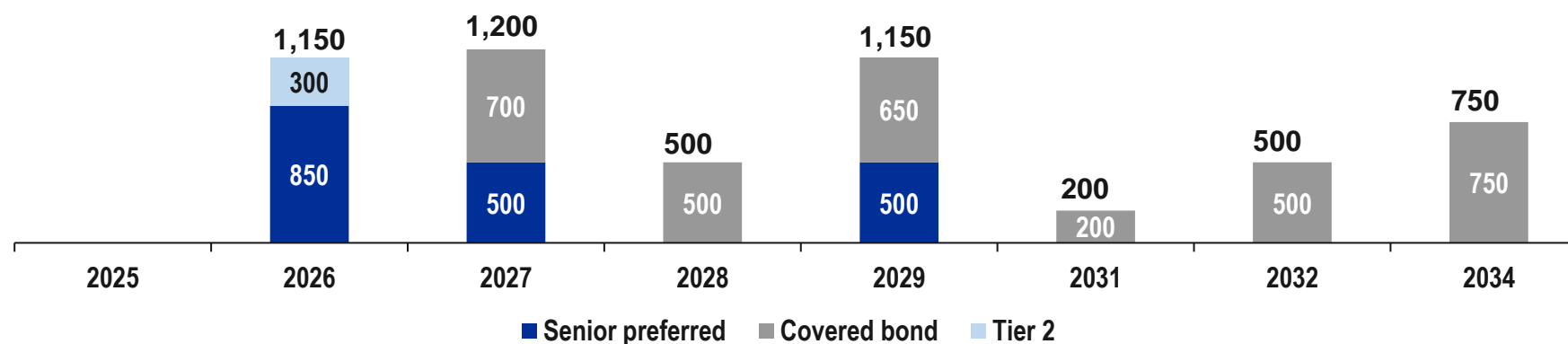
# ICCREA IN THE INSTITUTIONAL BOND MARKET

Iccrea Banca issued these institutional bonds since November 2020:

- 4 Senior Preferred bonds for an aggregate amount of 1,850 €/mln (including 3 Social issuances)
- 300 €/mln Subordinated Tier 2
- 3,300 €/mln Covered Bond in 6 different issuances

Issuer	Instrument Type	Announcement date	Coupon (%)	Maturity	Next Call Date	Outstanding Amount (€)
Iccrea Banca SpA	Covered Bond	13-Sept-21	0.010	23-Sept-28	-	500,000,000
Iccrea Banca SpA	Tier 2	05-Oct-21	4.750	18-Jan-32	18-Jan-26	300,000,000
Iccrea Banca SpA	Social Senior Preferred	10-Nov-21	2.125	17-Jan-27	16-Jan-26	500,000,000
Iccrea Banca SpA	Senior Preferred	13-Sept-22	6.375	20-Sept-27	20-Sept-26	350,000,000
Iccrea Banca SpA	Social Senior Preferred	12-Jan-23	6.875	20-Jan-28	20-Jan-27	500,000,000
Iccrea Banca SpA	Covered Bond	4-Jul-23	3.875	12-Jan-29	-	650,000,000
Iccrea Banca SpA	Covered Bond	31-Oct-23	4.000	08-Nov-27	-	700,000,000
Iccrea Banca SpA	Social Senior Preferred	30-Jan-24	4.250	05-Feb-30	05-Feb-29	500,000,000
Iccrea Banca SpA	Covered Bond	27-Feb-24	3.50	03-Mar-32	-	500,000,000
Iccrea Banca SpA	Covered Bond	07-Mar-24	3.43	07-Mar-31	-	200,000,000
Iccrea Banca SpA	Covered Bond	29-May-24	3.50	05-Jun-34	-	750,000,000

## Institutional Bonds, Current Maturity/Call profile -€/mln





**AGENDA**

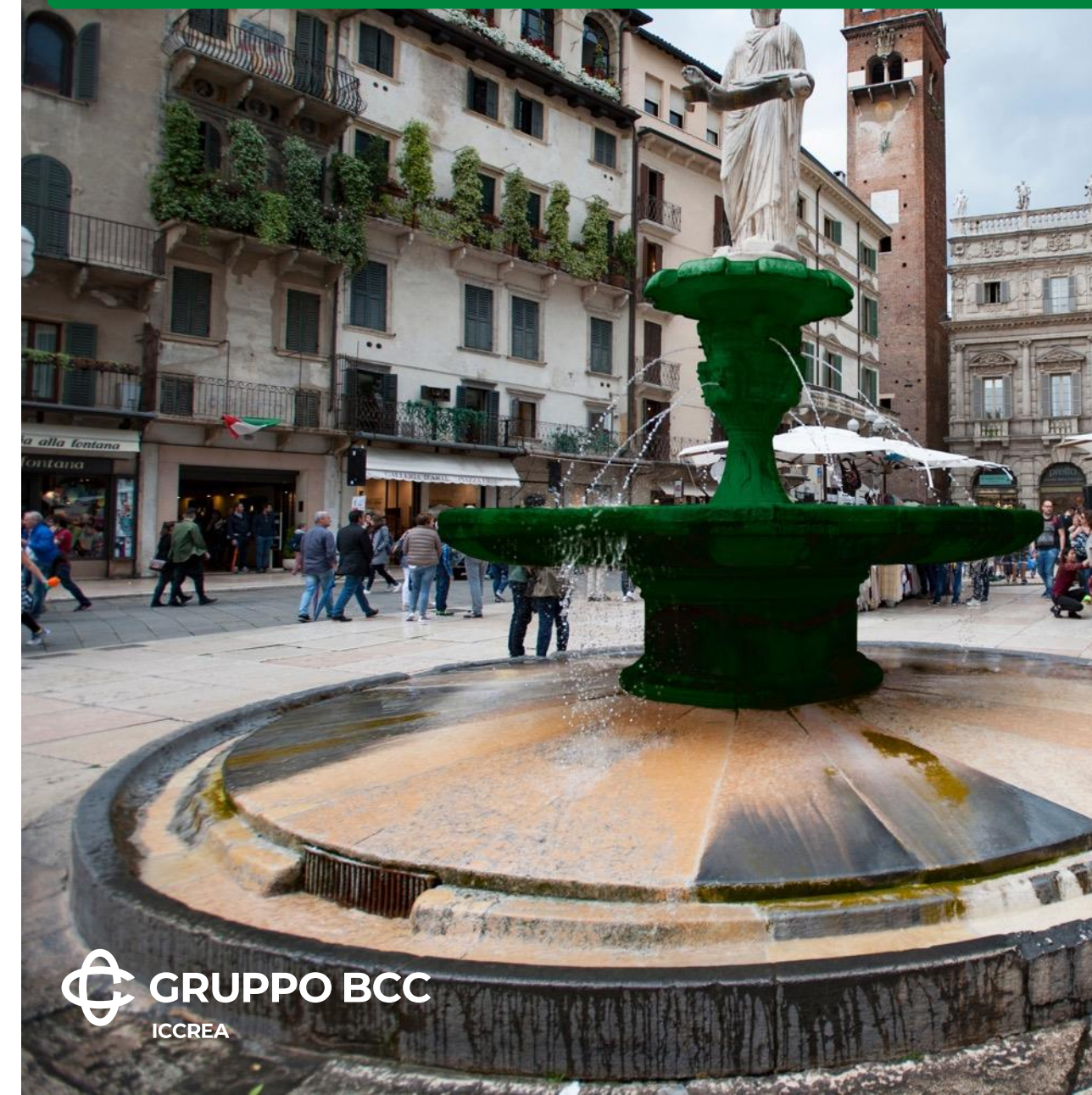
**HIGHLIGHTS**

**9M24 RESULTS**



**APPENDIX AND CONTACTS**





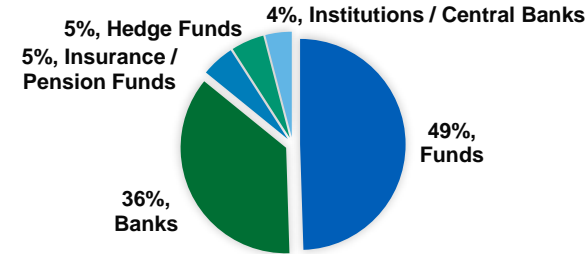
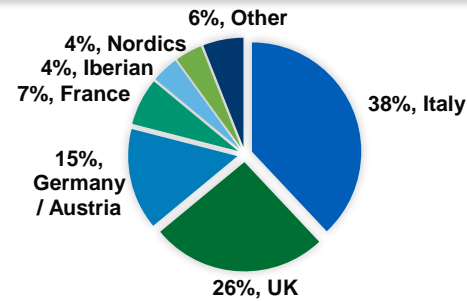
# 1,750 BN OF NEW PUBLIC ISSUANCES IN 2024 IN WHOLESALE MARKET

Social Senior Pref 6NC5

Jan-24



500  
€mln



BID TO COVER

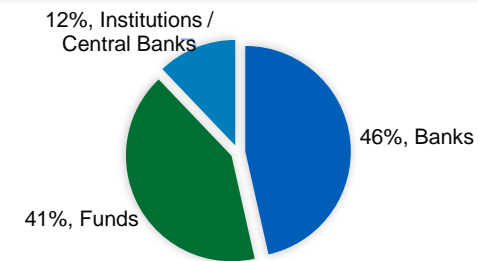
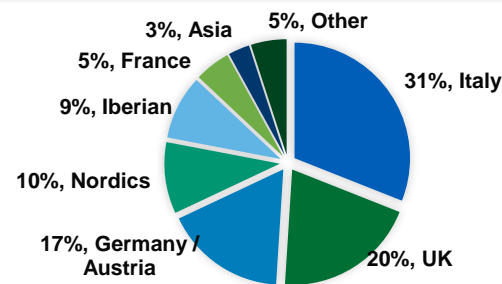
7x

Covered Bond 8Y

Feb-24



500  
€mln



BID TO COVER

10x

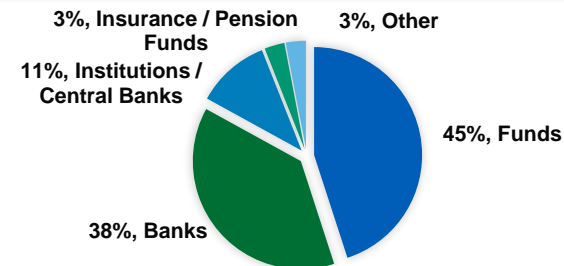
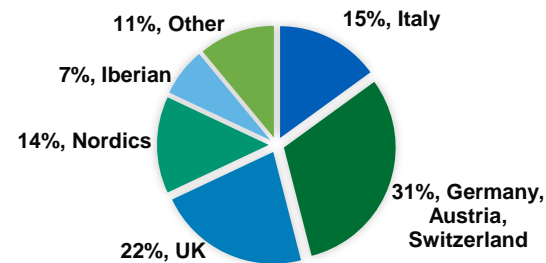
Best Bid To Cover among  
European financials since 2018

Covered Bond 10Y

May-24



750  
€mln



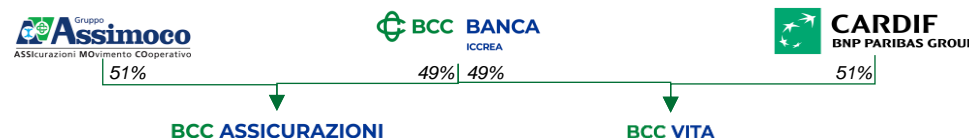
BID TO COVER

4x

# MAIN NEW PARTNERSHIPS OF THE GROUP: INSURANCE AND E - MONEY SECTOR

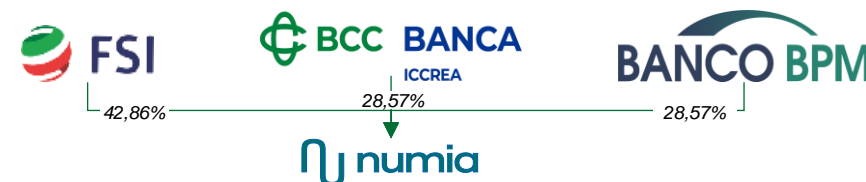
## INSURANCE

- Following a tender process in 2023, **new insurance partners** were selected: **Assimoco for the non-life insurance sector** and **Cardif for the life insurance sector**. The agreements include:
  - A 5-year partnership, extendable up to 15 years**, subject to the achievement of certain commercial targets.
  - The sale of 51% of BCC Assicurazioni to Assimoco** (completed in April 2024) and **51% of BCC Vita to Cardif** (completed in May 2024), with the option to sell an **additional 19% to the partners** upon extension of the partnerships.



- The BCCs have joined an agreement with Iccrea on insurance distribution, **aimed at regulating product offerings and insurance distribution with a substantial preference/exclusivity towards BCC Assicurazioni and BCC Vita**. Relaunch and rationalization of the insurance sector and customer offering
- The Iccrea-FSI partnership, initiated in August 2022, aims to create a system capable of enhancing services for the BCCs and their customers, starting with BCC Pay (now Numia).
- On October 2024, **Banco BPM** joined Numia as a client-partner, launching the new Italian operator in the **payments sector**. There will be equal governance rights between Iccrea and Banco BPM, along with a multi-year commercial agreement for Banco BPM as well.

The 'new' Numia represents approximately 10% of total POS in Italy, about 9% of active cards, and around 12-13% of transaction volume.



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