



FINECO. SIMPLIFYING BANKING.

# Inaugural Senior Preferred

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Fixed Income Investor  
Presentation

October 2021

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# Executive Summary

## Proposed Senior Preferred Offering

- Issuer FinecoBank (or "Fineco") rated BBB (Stable Outlook) by S&P
- 6NC5 Fixed Rate Senior Preferred
- Expected Issue Rating BBB by S&P
- RegS Bearer format
- Size EUR 500mn (WNG)
- Listing on Euronext Dublin

## Transaction Rationale

- With the intended issuance of the inaugural Senior Preferred bond Fineco will be compliant with both Phased-in and Fully Loaded MREL requirements
  - Most cost-efficient way to satisfy MREL requirements, supporting Fineco's best-in-class cost-income ratio
- Build on the successful inaugural AT1 transaction in 2019 and enhance Fineco's profile in the international markets
- Further diversify the existing investor base and establish a liquid secondary benchmark

## Investment Highlights

- Leading fintech player in Europe with multi-channel approach offering banking, brokerage and investing services
- Long term sustainable and scalable business model offering clients a quality one-stop-solution (with fair pricing) leveraging on 3 key pillars: Transparency, efficiency and innovation
- Full proprietary IT and back-end platform, developed internally without legacies, maximizes operating leverage, time-to-market and controls
- Developing a capital efficient business model through:
  - Balance sheet deleveraging to improve revenue quality
  - Growing contribution of Investing business through higher control of the value chain thanks to Fineco Asset Management
- Highly attractive and resilient operating and financial profile underpinned by consistent top line growth (+10% 2014-20 CAGR), high diversified operating efficiency (32% FY20 cost income, -12% vs. 2014) and superior profitability (23% 1H21 ROE<sup>(1)</sup>)
- Sound capital position, significantly above minimum regulatory requirements (CET1 ratio of 18.6% and TCR ~30%, net of 2019-2020 dividend)
- Simple and highly liquid balance sheet with close to zero cost of funding

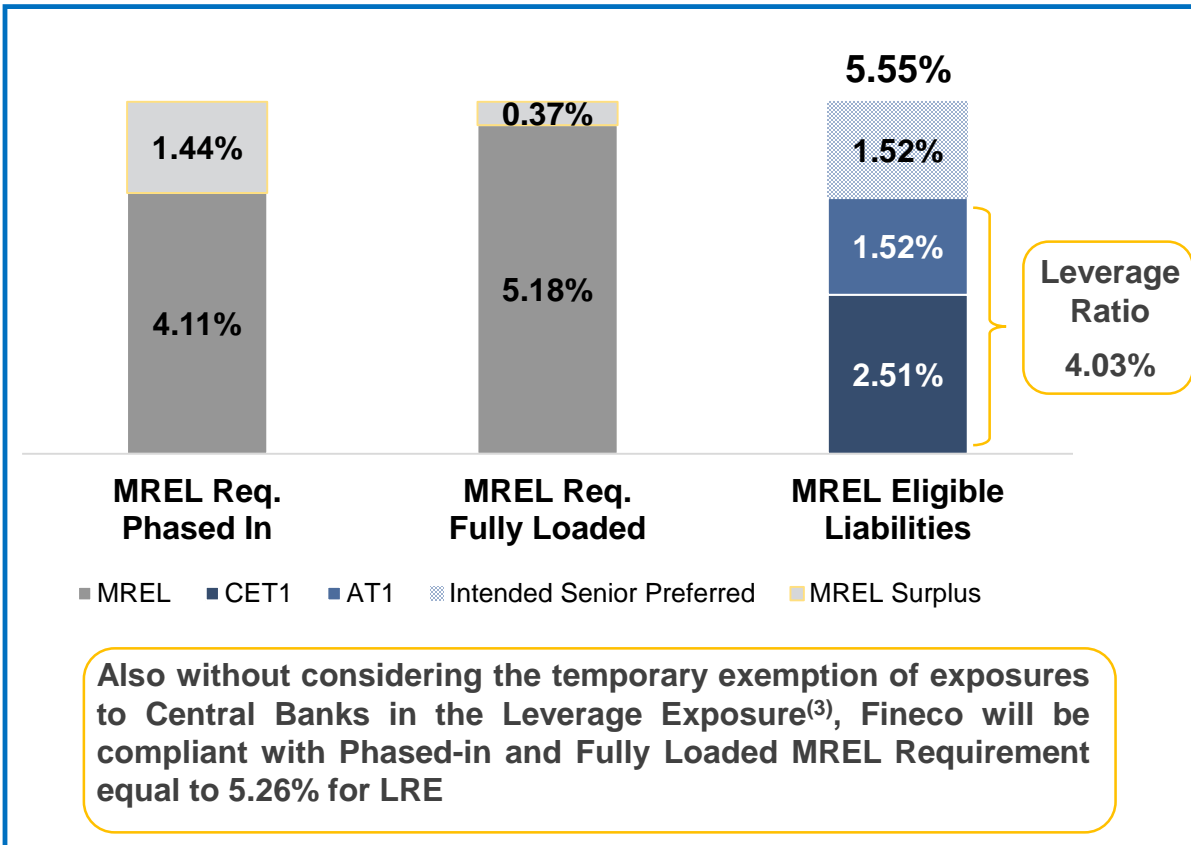
<sup>(1)</sup> Including 2019/2020 dividend proposed by the Board of Directors to the Shareholders' meeting on 21st October 2021

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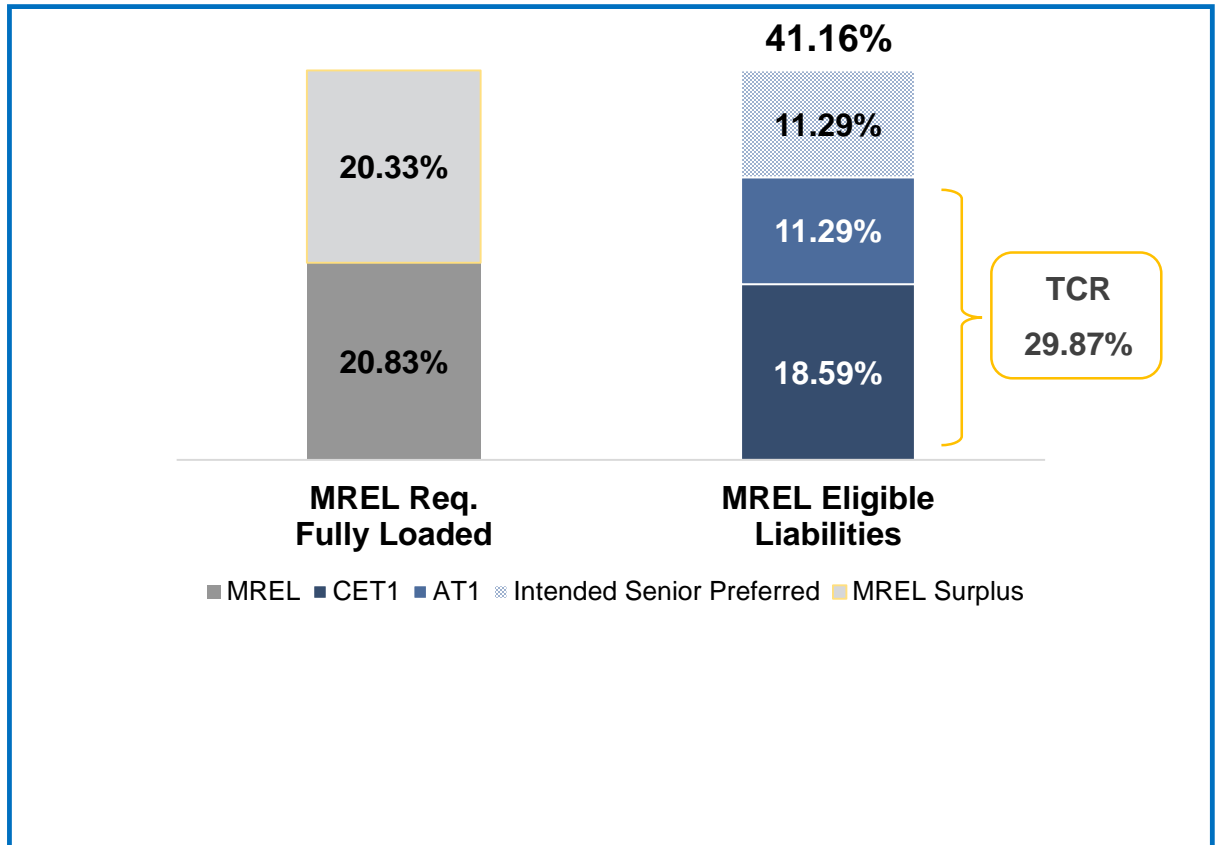
# MREL: already compliant with Fully Loaded requirement

With the intended issuance of the inaugural Senior Preferred bond Fineco will be complaint with both Phased-in and Fully Loaded MREL Requirements. Fineco received one of the lowest MREL requirement disclosed in the market

## MREL Requirement LRE <sup>(1)</sup>, %



## MREL Requirement TREA <sup>(2)</sup>, %



<sup>(1)</sup> As percentage of 1H21 Leverage Exposure

<sup>(2)</sup> As percentage of 1H21 TREA

<sup>(3)</sup> Fineco Leverage Ratio without temporarily exemption is at 3.81% as of June 2021

# Proposed Inaugural Senior Preferred Transaction

## Summary Terms and Conditions

Issuer	▪ FinecoBank S.p.A.
Issuer Ratings	▪ BBB (Stable Outlook) by S&P
Expected Issue Ratings	▪ BBB (S&P)
Status of the Notes	▪ Preferred Senior, direct, unconditional, unsubordinated and unsecured
Format	▪ RegS, Bearer, New Global Note
Nominal Amount	▪ EUR 500mn (WNG)
Structure	▪ 6NC5
Issue Date	▪ [•] October 2021
Maturity Date	▪ [•] October 2027
Optional Redemption	▪ [•] October 2026. One time call at the Issuer's discretion pursuant to Condition 6.2, in whole - subject to compliance by the Issuer with any conditions to such redemption prescribed by the MREL Requirements at the relevant time - at par
Redemption	▪ 100% of the Nominal Amount
Interest	▪ [•]% for the period from and including the Issue Date to but excluding the Optional Redemption Date payable annually in arrear on any Interest Payment Date. If the Notes are not redeemed on the Optional Redemption Date, the interest, payable quarterly on the Notes from and including the Optional Redemption Date to and including the Maturity Date, shall be a floating rate equal to the 3-month Euribor plus [•] per cent. (the "Initial Spread").
Issuer Call Due to MREL Disqualification Event	▪ At par. Applicable as per Condition 6.3 of the Listing Particulars of the Issuer, in whole but not in part, at their principal amount plus any accrued but unpaid interest up to (but excluding) the date fixed for redemption
Tax Call	▪ At par. Applicable as per Condition 6.4 of the Listing Particulars, in whole or in part (to the extent permitted by the Relevant Regulations) at their principal amount plus any accrued but unpaid interest up to, but excluding the date fixed for redemption
Use of Proceeds	▪ General corporate purposes and to improve the regulatory capital structure of the Issuer and the FinecoBank Group
Governing Law	▪ Italian Law
Joint Bookrunner	▪ Citi, Mediobanca, Morgan Stanley, UniCredit
Denomination	▪ EUR 100k and integral multiples of EUR 1k in excess thereof
Listing	▪ Global Exchange Market of the Irish Stock Exchange trading as Euronext Dublin

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# Introducing Fineco, a leading FinTech Bank in Europe

Integrated offer of Banking, Brokerage and Investing via multi-channel approach, for sustainable growth

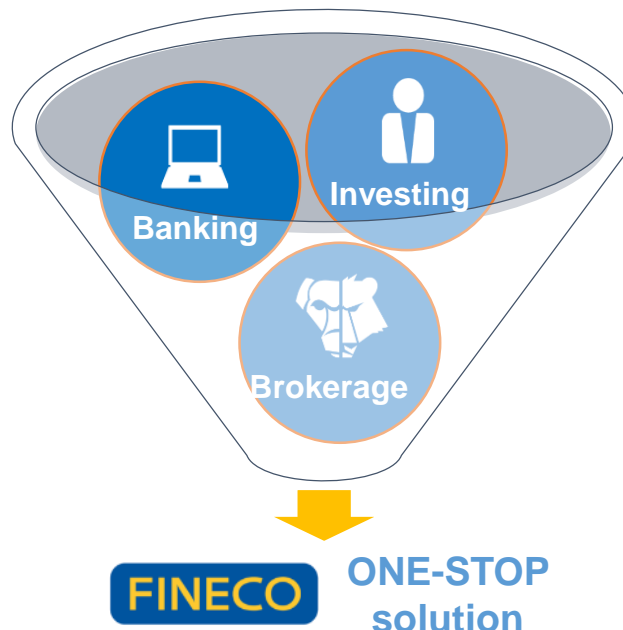
**Corporate purpose:** offer customers excellent services and products through a multi-channel system at a fair price

1H21 weight on total revenues for each product area

## Banking

41%

- 100% of operations can be performed online or from apps
- Lending offered only to existing base of retail clients (no corporates)
- Strong focus in building a low-risk and high-quality portfolio thanks to internal IT culture and Big Data analytics



## Investing

30%

- **FAM** (Fineco Asset Management, with 20bn+<sup>(1)</sup> TFA) key in delivering quality investment solutions for our clients
- More than **6,350** mutual funds by more than **70** Asset Managers worldwide
- Physical distribution network: **2,731**<sup>(1)</sup> PFAs and **414**<sup>(1)</sup> Fineco Center

## Brokerage

29%

Direct access to **26**<sup>(2)</sup> global markets, bonds, ETFs, futures and **21**<sup>(2)</sup> currencies both online and mobile

## Our Key figures

TFA 2Q21

€101.4 bn  
with 1.4 mln clients

+22.7%  
y/y

adj. revenues FY20

€749.2 mln

+18.3%  
y/y

adj. net income FY20

€324.5 mln

+19.2%  
y/y

adj. Cost/Income FY20

€32.4%

-3.2p.p.  
y/y

CET1 Ratio 2Q21<sup>(3)</sup>

18.59%

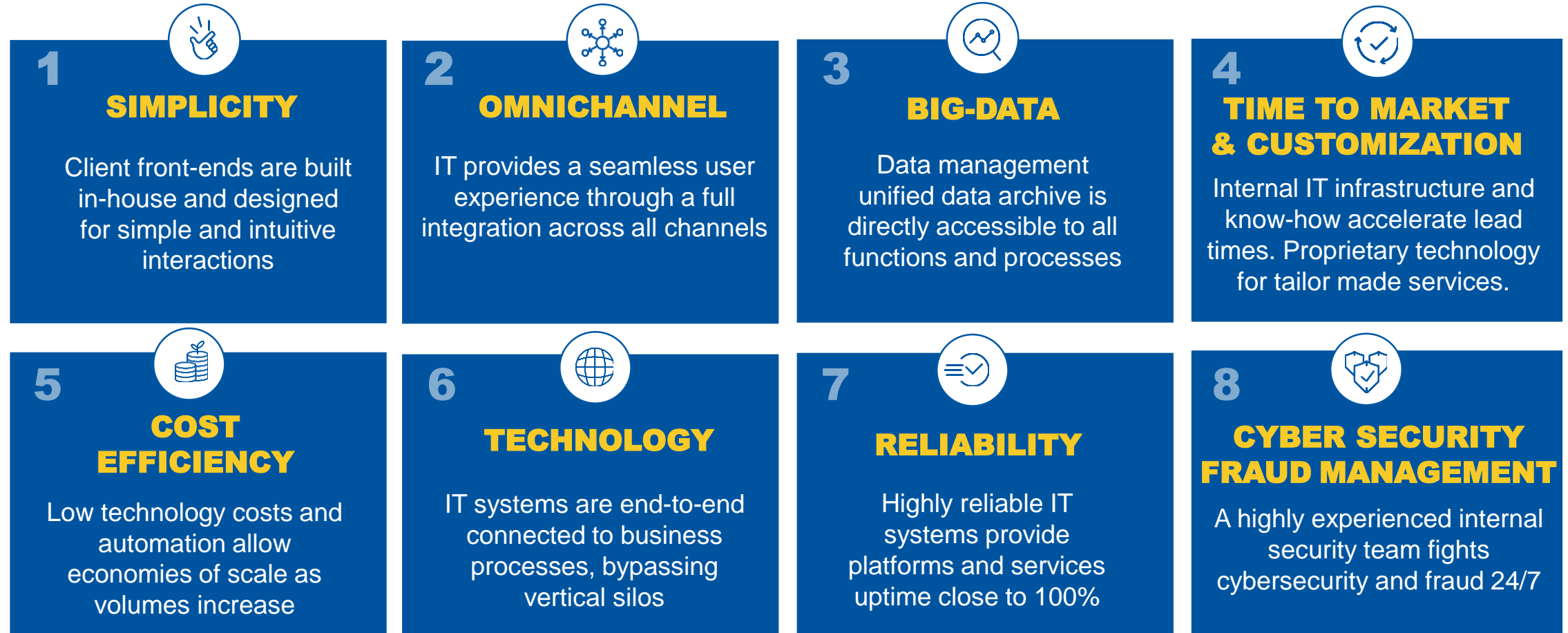
<sup>(1)</sup> Figures as of June 30th, 2021

<sup>(2)</sup> Figures as of December 31st, 2020

<sup>(3)</sup> With 2019-2020 dividend payment of €0.53 proposed by the Board of Directors at the Shareholders' meeting convened on 21st October 2021  
For details on adj. figures please refer to slide 41 and 42

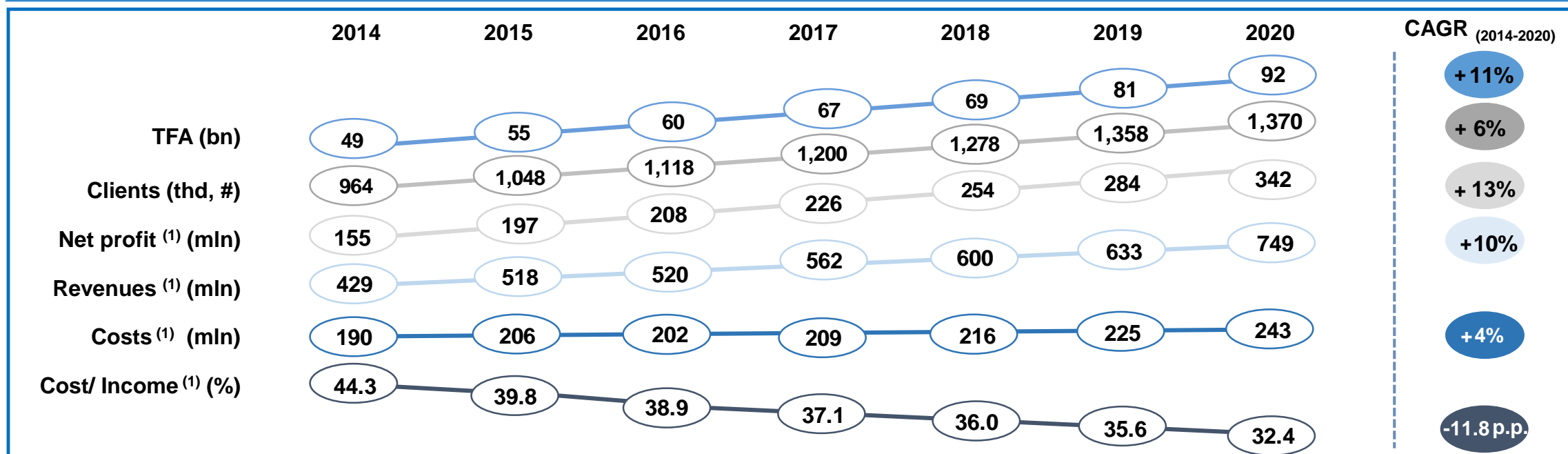
# Fineco as a profitable FinTech Bank: ICT a key business driver

Leveraging on a deep-rooted internal know-how to expand platform scalability and operating gearing

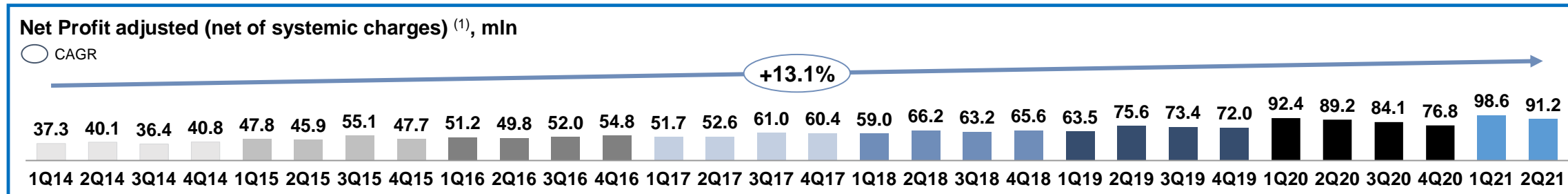


# Healthy and sustainable growth with a long term horizon

## Highly scalable operating platform...



## ...with a diversified revenues mix leading to consistent results in every market conditions

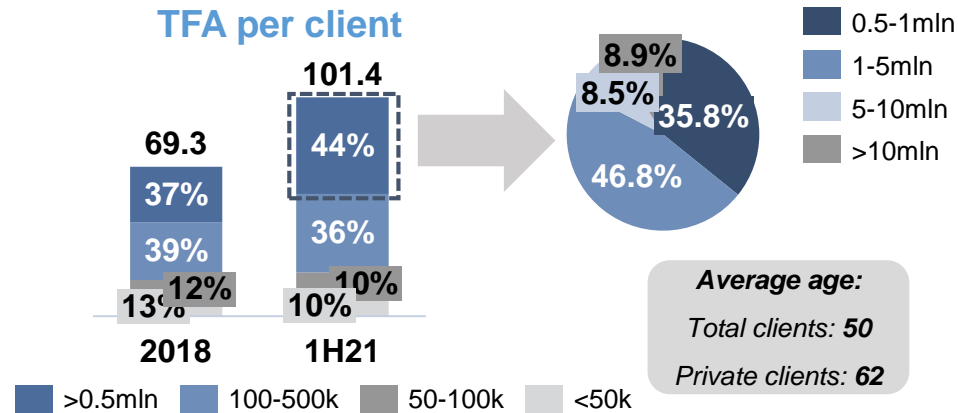


<sup>(1)</sup> Figures adjusted by non recurring items and Net Profit adjusted net of systemic charges: FY15: -3.1mln net (in 3Q15), FY16: -7.1mln net (-7.4mln in 3Q16, +0.3mln in 4Q16), FY17: -7.1mln net (-8.3mln in 3Q17, +1.2mln in 4Q17), FY18: -9.6mln net (in 3Q18), FY19: -12.1mln net (-11.7 in 3Q19, -0.4mln in 4Q19), FY20: -17.9mln net (1Q20: -0.2mln, 2Q20: -0.4mln, 3Q20: -18.7mln, 4Q20: +1.4mln), 1H21: -5.2mln net (1Q21: -3.9mln; 2Q21: -1.3 mln). Costs and revenues have been recasted as costs related to the Network of PFAs have been moved into Net Commissions to give a better representation of Investing. For more details on non recurring items please refer to slides 41 and 42.

# Consistently growing in our target market

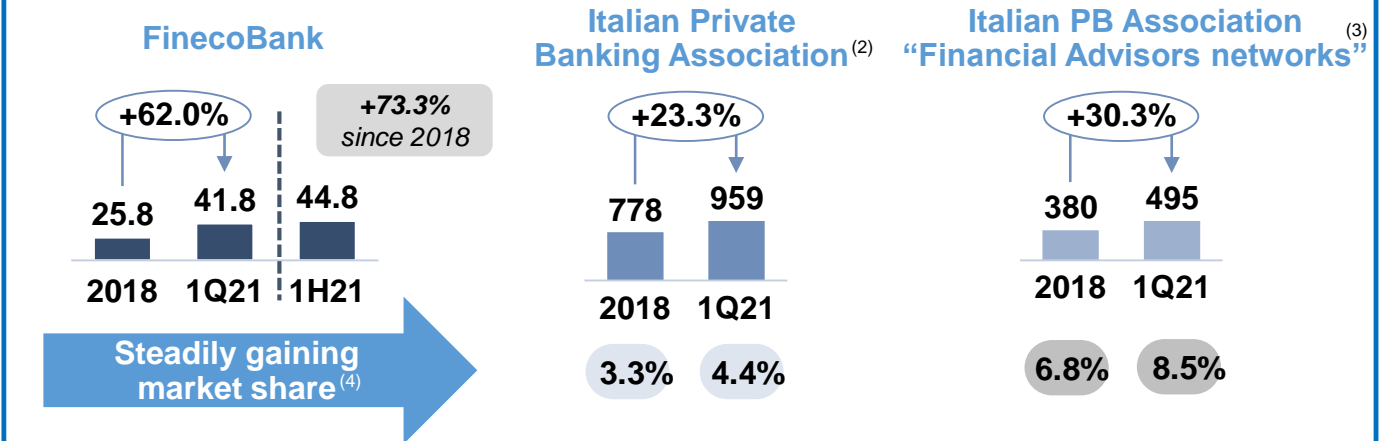
## Improving the quality of our client base

€ bn, TFA



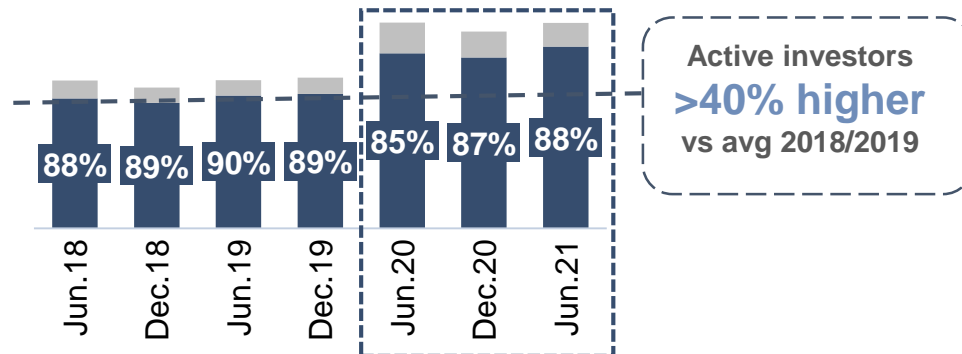
## Outperforming the system in Private Banking<sup>(1)</sup> growth

€ bn, TFA



## Brokerage: enlargement of the client base of sticky active investors

trader active investors<sup>(5)</sup> - - - avg '18-19 active investors



### ACTIVE INVESTORS PROFILE:

- Avg executed orders per month: 4
- Avg age: 50 years old
- Mostly linked to a PFA to manage their savings
- Avg TFA: > €200k

<sup>(1)</sup> Private Banking clients are clients with more than € 0.5mln TFA with the Bank

<sup>(2)</sup> AIPB (Associazione Italiana Private Banking) as of 1Q21

<sup>(3)</sup> AIPB «FA networks» refers to "Modelli Misti" and include the following players: Allianz Financial Advisors, Banca Euromobiliare, Banca Generali PB, Banca Mediolanum, Banca Patrimoni Sella, Widiba, CheBanca!, Deutsche Bank, Fideuram ISPB, Fineco (figures as of 1Q21)

<sup>(4)</sup> Source: Ufficio Studi AIPB (Associazione Italiana Private Banking): "Analisi del mercato servitor dal PB in Italia – dati al 31/03/2021) – Luglio 2021"

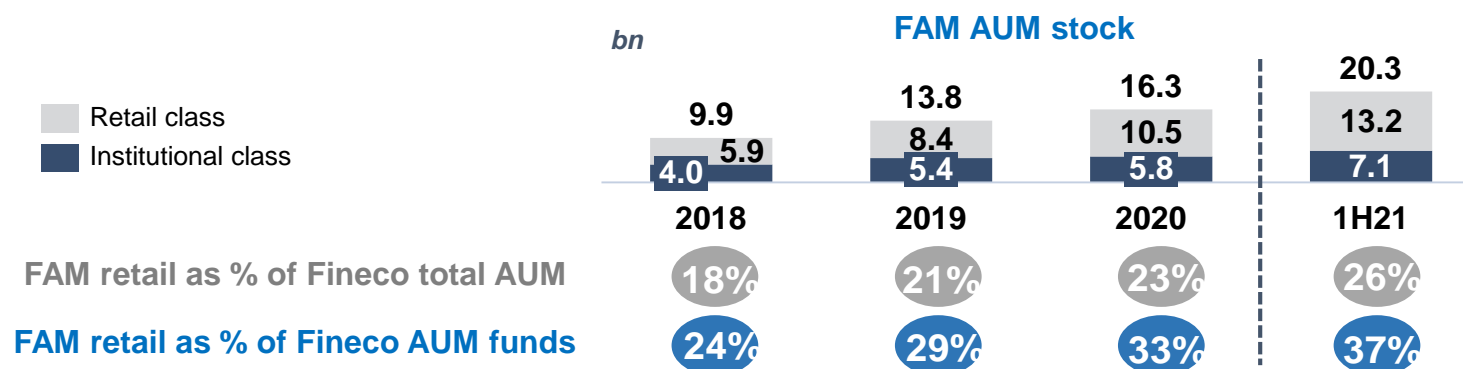
<sup>(5)</sup> Active investors: less than 20 trades per month; Traders: more than 20 trades per month

# Fineco Asset Management

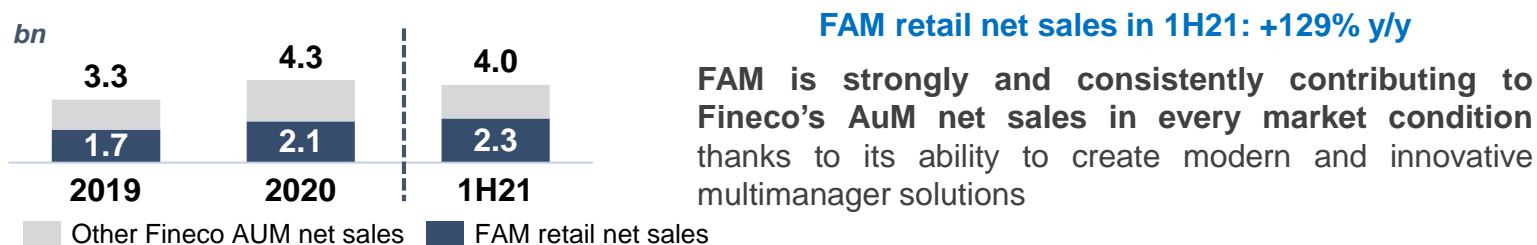
Key to sustain Investing business thanks to its operating leverage and to a more efficient value chain

## FAM growth potential and new opportunities

- ✓ Strong **room to increase FAM's penetration** on Fineco's funds stock:
- **FAM strongly positioned in terms of RISK MANAGEMENT** thanks to the daily look-through: **we expect a solid acceleration towards FAM products** under the 2021 PFAs incentive scheme



## FAM contribution to Fineco AUM net sales



## FAM 2021 priorities

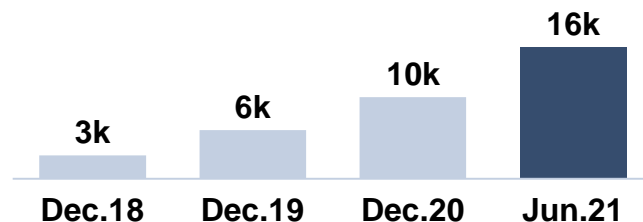
- ✓ In 2021 FAM will focus on further widening its product offer by adding **new solutions focused on equity and sustainability**
- ✓ **New flagship product range** combining a coupon offer, a decumulation engine and equity exposure: after the **strong commercial success on its Target China** strategy, FAM has already launched the **brand new ESG Target Global Coupon 2026**
- ✓ **Widening sustainable offer** through the launch of new investment solutions under **SFDR art.8 and art.9**



# Fineco UK: our quality one-stop-solution proves to work

Strong acceleration in our customer acquisition

## # Current accounts keep accelerating strong pace of growth

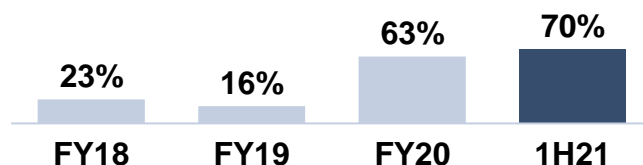


STICKINESS RATE  
on active clients in 2020



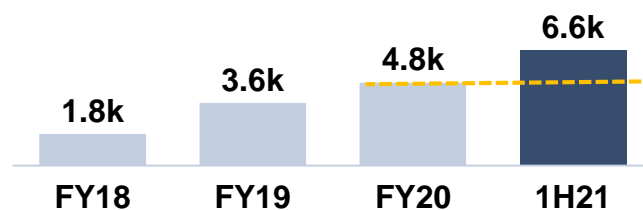
## Targeting quality clients with the right offer...

■ active on brokerage / active current accounts



Boost in active current  
accounts<sup>(1)</sup> on Brokerage

## ...and accelerating our attractiveness



In the first 6 months of 2021  
new current accounts already above FY20

Already working to **further increase the efficiency of our marketing campaign**: we are developing a brand new proprietary model to maximize our marketing efficiency based on volatility and clients behaviours

Strong improvement in the underlying dynamics of our customer acquisition thanks to:

- **Smarter onboarding process** now integrated in the APP with a dedicated CRM chat
- **Improved brand perception** after first marketing campaign at the end of 1Q20



# Strategy: a more profitable and capital efficient business model

Our two discontinuities: Deleveraging the Balance Sheet and improving Investing business

## Deleverage to improve our quality revenues mix

### 1 STRONG COMMERCIAL FOCUS ON AUM:

- targeting **only AUM net sales and solutions** with a **strong RISK MANAGEMENT**. FAM already best-positioned thanks to the high-transparency and **daily look-through** on its solutions

### 3 WIDER PRODUCT RANGE TO FULLY CATCH THE WHOLE SPECTRUM OF CLIENTS' NEEDS ALSO THANKS TO FAM

- **FAM Target and Pension funds** for risk-adverse clients
- **Distribution of third-parties savings accounts** to lower the amount of liquidity held by clients with no intention to invest and generate revenues without increasing the Balance Sheet.

### 2 ROBUST ACCELERATION IN PFAs PRODUCTIVITY through:

- **New software developments** to improve PFAs productivity in **transforming deposits in AUM** leveraging on Big Data Analytics capabilities.
- Coming soon: sophisticated **marketing campaigning** tool

### 4 IMPROVE THE QUALITY OF OUR CLIENT BASE:

- More selective client acquisition through a **new pricing on new current accounts** that are priced € 6.95 per month<sup>(1)</sup> with the possibility of a full bonus on the fee according to their activity with the Bank
- We will **increase our efforts to reduce liquidity** also leveraging on our Big Data Analytics

## Discontinuity in FAM to take more control of the Investing value chain

### 1 STRONG VOLUME EFFECT:

- **INCREASING PFAS PRODUCTIVITY** thanks to our cyborg advisory approach
- **ROBUST AUM NET SALES** as we are in the sweet spot to capture the acceleration of structural trends already in place
- **NEW PFA INCENTIVE SCHEME** based on inflows in
  - ✓ **Asset Under Management**
  - ✓ **quality solutions with a strong focus on RISK MANAGEMENT**

### 2 FAM OPERATIONAL EFFICIENCY:

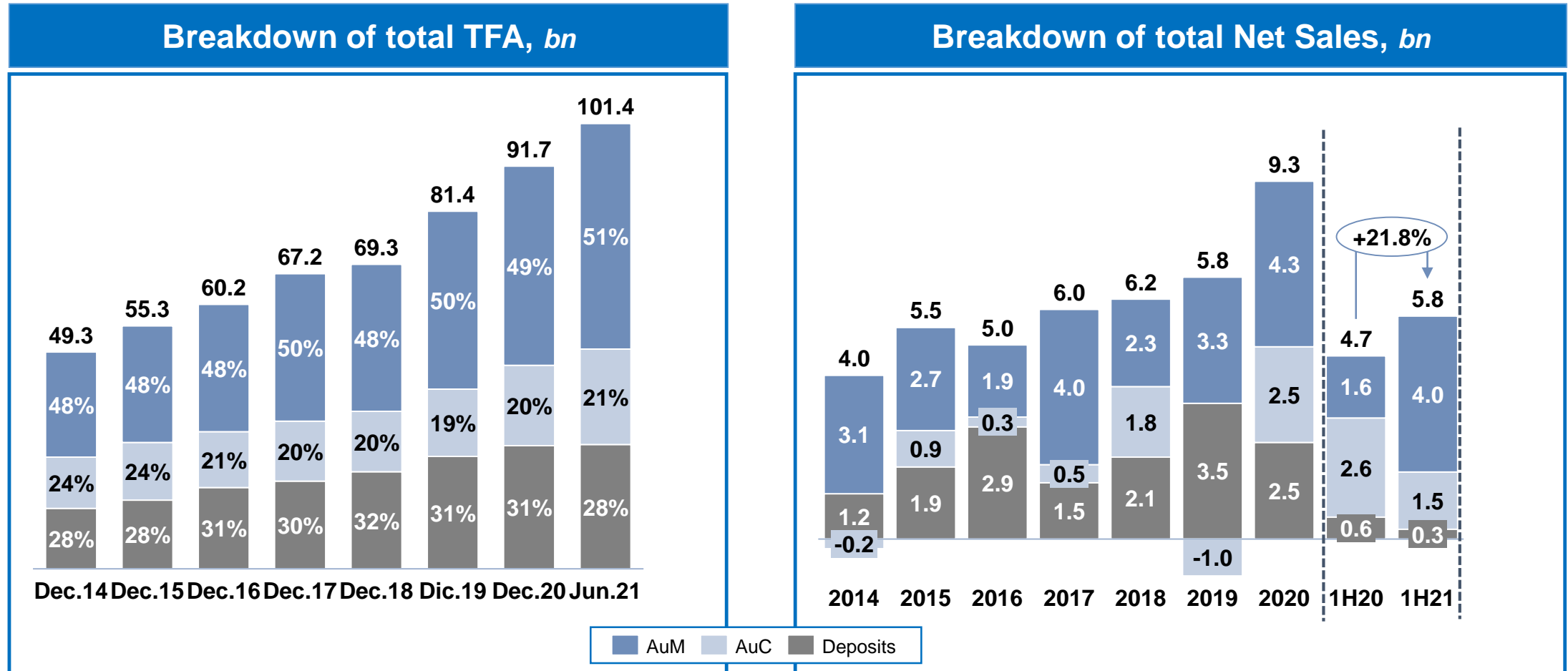
- The **internalization of the value chain** will allow FAM to **progressively and structurally lower the costs of third parties**, creating more value
- FAM is core for **extracting additional value** (on fund administration costs, custodian, etc)
- **FAM margins contribution** expected to grow with the increase of volumes as institutioal products can be used as underlying of Investing solutions
- **Widening equity strategies** offer due to the increasing Risk Appetite by clients

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# TFA and Net Sales breakdown

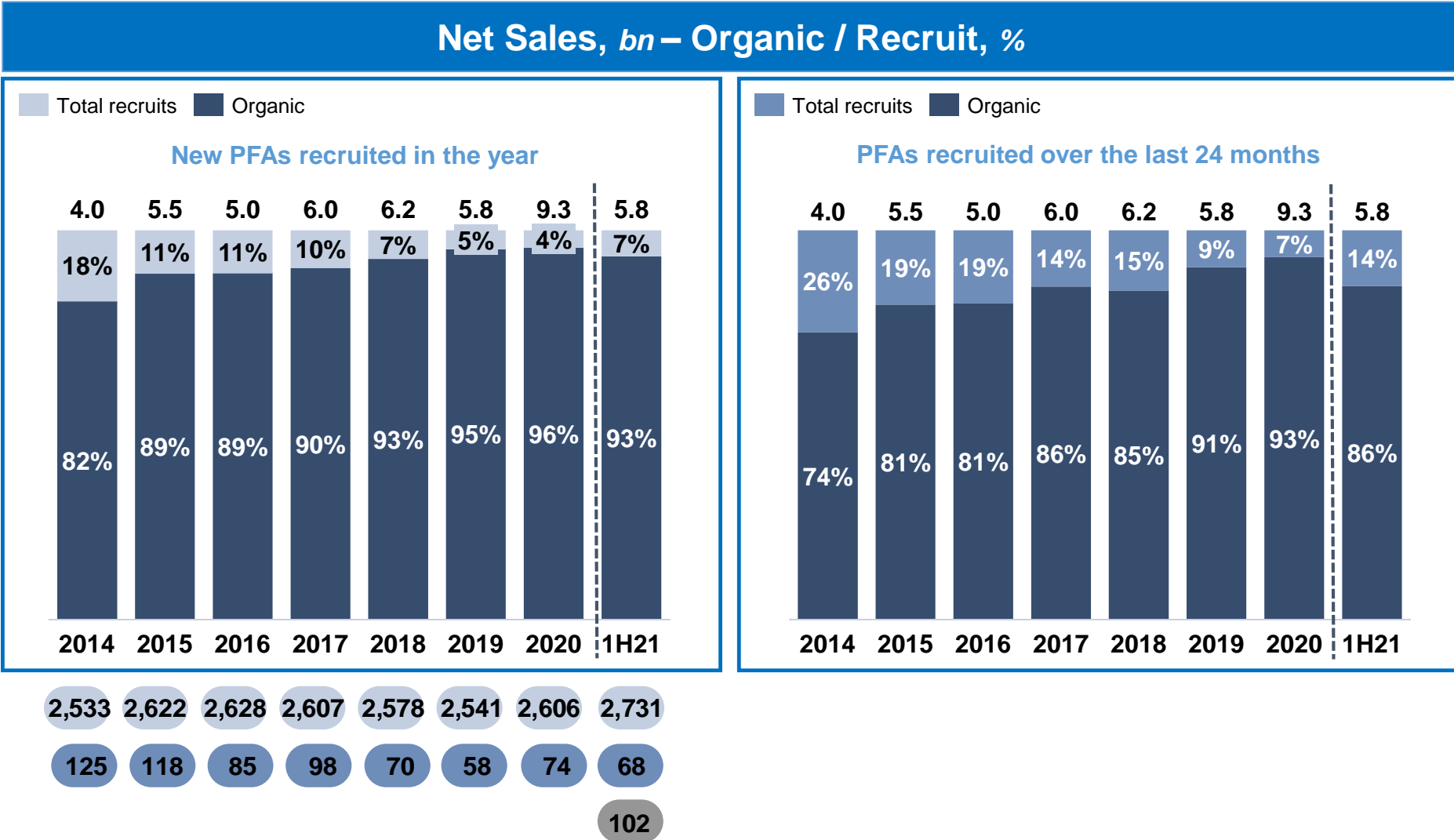
Successful shift towards high added value products thanks to strong productivity of the network. High quality net sales growth with a better mix, on the wave of structural trends thanks to our diversified business model



AuC and Deposits under advisory have been reclassified within AuM in order to have a better representation of the advisory nature of Advice and Plus services

# Net sales organically driven key in our strategy of growth

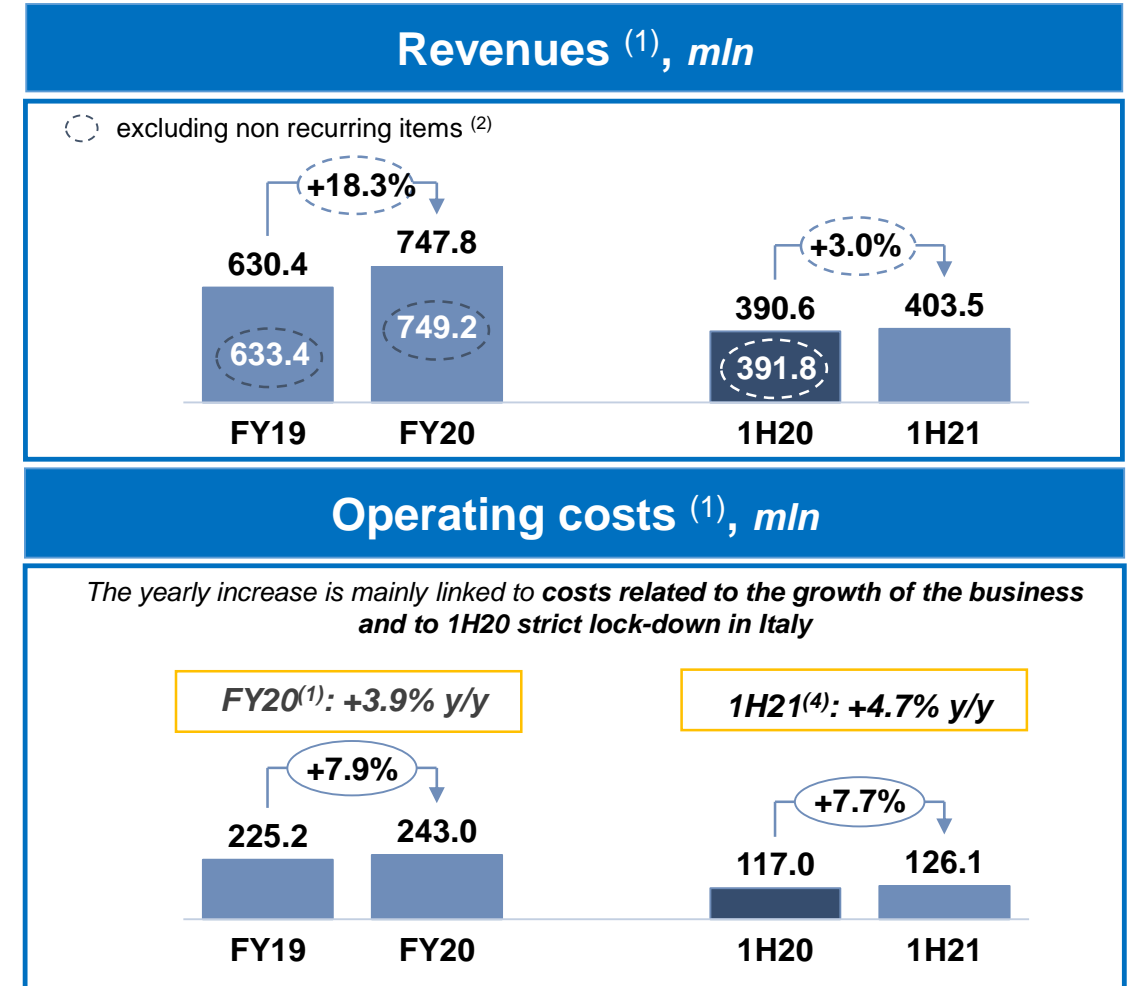
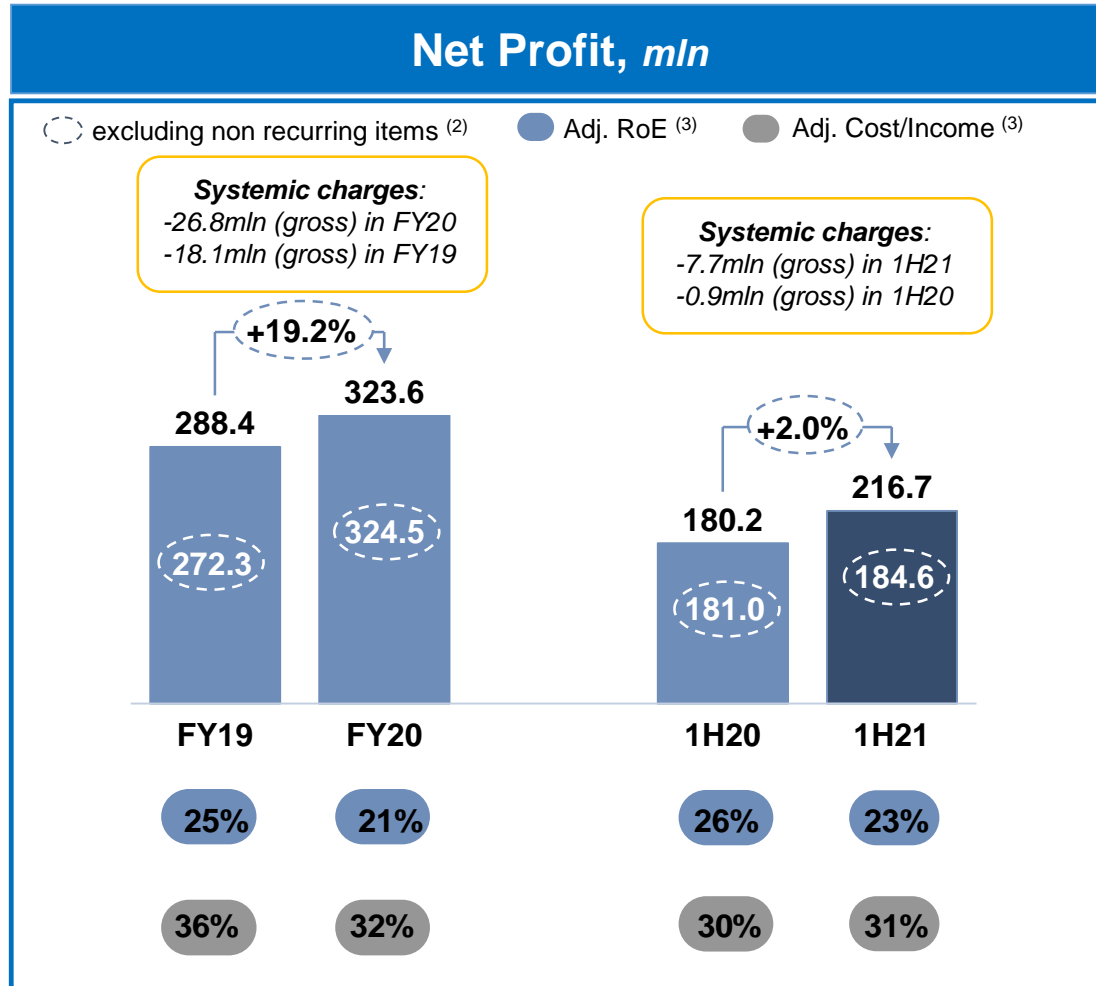
The structure of recruiting is changing: more interest in the quality of the business model by PFAs



**Recruitment costs**  
(to be amortized)  
**stock 34.4mln**  
as of Jun.21

# Facing a “new normal world”: record high 1H Net Profit

Adj. Net Profit at 184.6mIn, +2% y/y boosted by strong acceleration of Investing. The Bank has entered a new dimension of growth. C/I ratio at 31%, confirming our operating leverage.



<sup>(1)</sup> Costs related to the Network of PFAs (recruiting, loyalty, FIRR, Enasarco) have been recasted from Other Administrative Expenses into Net commissions to give a better representation of Investing

<sup>(2)</sup> 2Q21 non recurring items: realignment of the intangible assets: 32 mIn net; FY20 non recurring items: Voluntary Scheme: -1.4mIn gross, -1.0mIn net; FY19 non recurring items: Voluntary Scheme: -3.0mIn gross, -2.0mIn net; Patent Box: 18.1mIn

<sup>(3)</sup> Adj. Cost/Income and Adj. RoE calculated net of non recurring items. ROE calculated as: annualized adj.net profit divided by average book equity for the period (excl. dividends for which distribution is expected and valuation reserves)

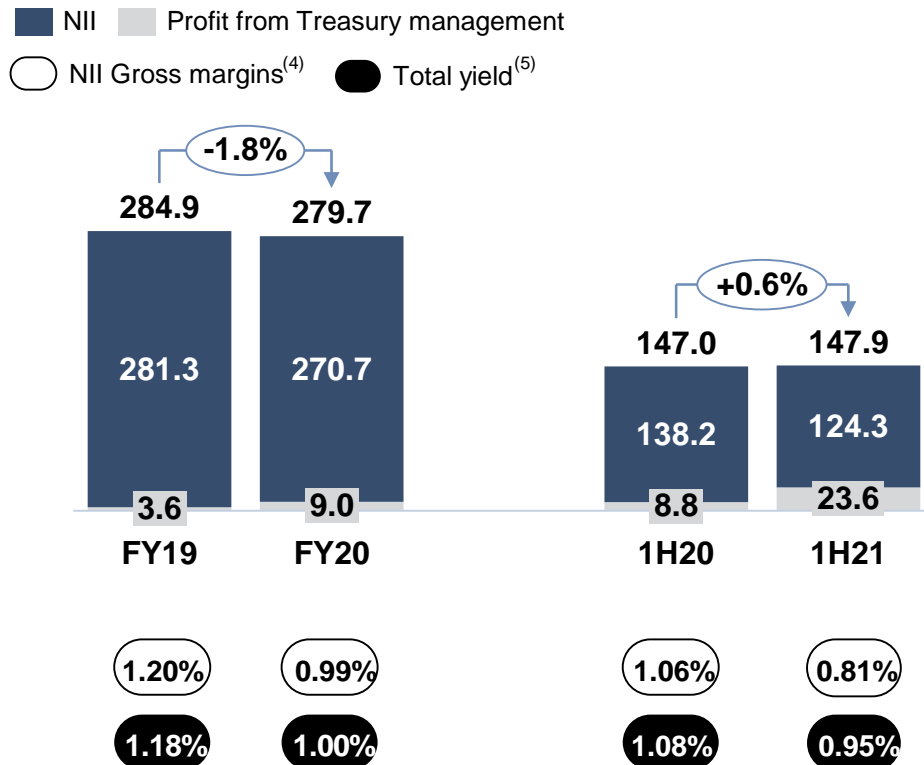
<sup>(4)</sup> Excluding costs strictly related to the growth of the business, for details please refer to slide 22

For details on adjustments please refer to slide 41 and 42.

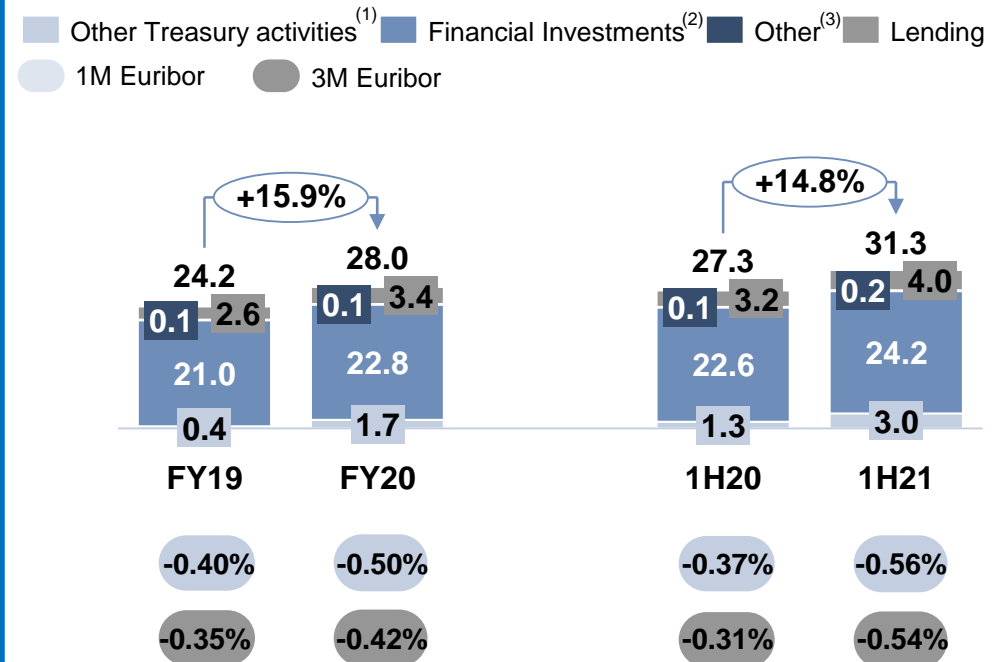
# Our activity of deleveraging the Balance Sheet is generating also profits from Treasury management...

Net financial Income stable y/y thanks to a more dynamic Treasury activity

## Net Financial Income, mln



## Interest-earning assets, avg bn



**Sensitivity analysis +100bps / -100bps parallel shift:  
+126mln NII / -111mln NII**

<sup>(1)</sup> Other treasury activities include Security Lending (to take advantage of tiering) TLTRO and yield enhancement strategies (unsecured lending and collateral switch)

<sup>(2)</sup> Financial investments include Government bonds, UC bonds, Covered bonds, Supranational and Agencies and other financial investments

<sup>(3)</sup> Other interest-earning assets include Leverage and Tax Credit

<sup>(4)</sup> NII gross margins: interest income related to financial investments, lending, leverage, security lending, other trading activities on interest-earning assets

<sup>(5)</sup> Total yield: net financial income related to interest-earning assets

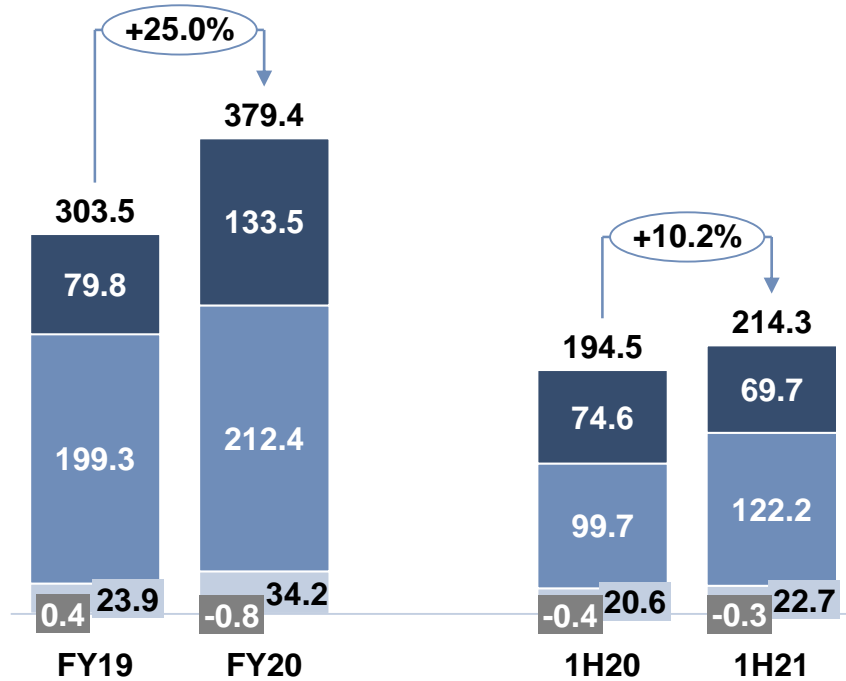
# ...and boosting Fees & Commissions and Brokerage Trading Profit

1H Fees and commissions +10% y/y thanks to the positive contribution by all business areas.

Brokerage confirming the structurally higher floor despite lower market volatility and volumes vs 1H20

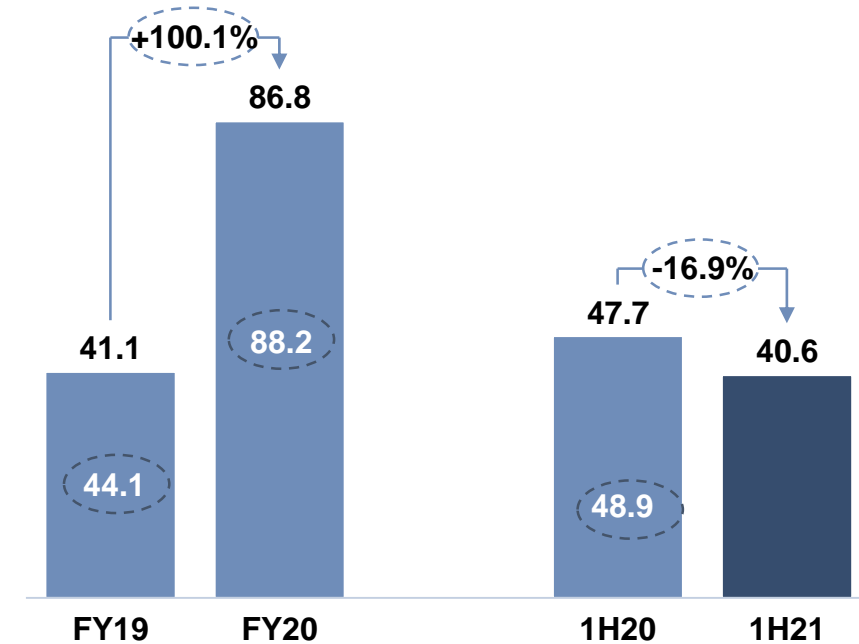
## Fees and commissions <sup>(1)</sup>, mln

■ Brokerage ■ Investing ■ Banking ■ Other



## Brokerage Trading Income <sup>(2)</sup>, mln

○ excluding non recurring items <sup>(3)</sup>



<sup>(1)</sup> For a better representation of Investing revenues, the following items have been recasted into Investing net commissions: cost efficiencies achieved by Fineco Asset Management have been recasted from Other expenses/income, Costs related to the Network of PFA recasted from Other Administrative Expenses (recruiting, loyalty plan, FIRR, Enasarco), PFA Incentives from other product areas to Investing.

<sup>(2)</sup> Trading income does not include Profit from Treasury Management

<sup>(3)</sup> Adj. Trading Income excluding non recurring items: Voluntary Scheme (1H20: -1.2 mln gross, FY20: -1.4mln, FY19: -3.0mln gross)  
For details on adjustments please refer to slide 41 and 42.

# Cost efficiency and operating leverage confirmed in our DNA

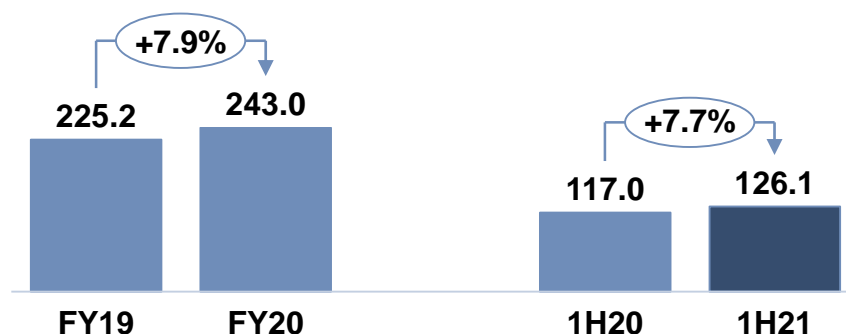
1H21 characterized by costs directly related to the strong acceleration of growth of the business experienced in the “new normal world”. The yearly comparison affected by 1H20 strict lock-down (1H20 non HR lower vs avg 1H in the period 2010-2019)

## Operating Costs, mln

The yearly increase in both 1H21 and FY20 is mainly linked to **strict lockdown in place in Italy in 1H20** and to costs related to the growth of the business, mainly:

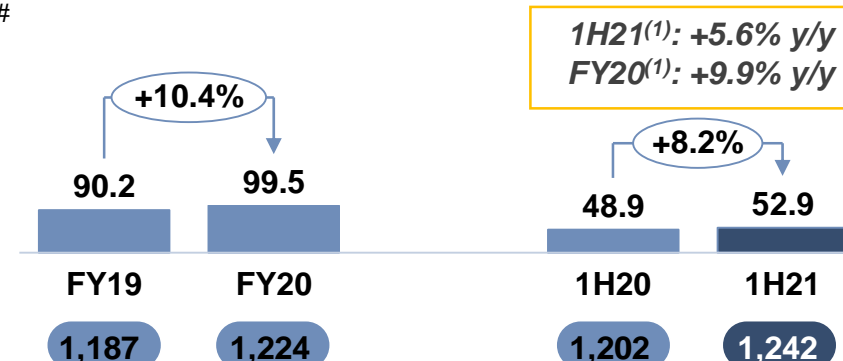
- **Marketing expenses** (mainly related to UK, not fully in place in 1H20)
- **FAM** as it is preparing to further increase the efficiency of the value chain
- Given the December lock-down, in 4Q20 **additional one-off staff expenses** due to cancelled annual leaves

Net of this items,  
1H21<sup>(1)</sup>: +4.7% y/y  
FY20<sup>(1)</sup>: +3.9% y/y



## Staff expenses and FTE, mln

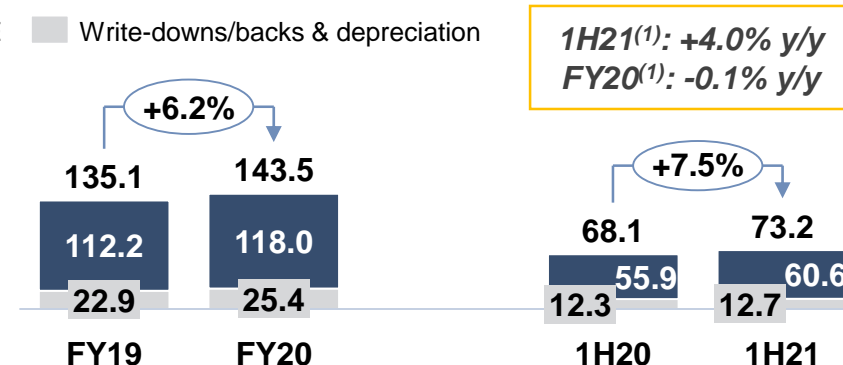
FTE #



1H21 FAM costs up by 1.3mln y/y as it is preparing to further increase the efficiency of the Investing value chain

## Non HR Costs, mln

OAE Write-downs/back & depreciation



Note: 1H20 NHR costs lower than the avg 1H in the period 2010-2019 due to the strict lock-down in place in Italy

<sup>(1)</sup> Excluding costs strictly related to the growth of the business in 1H21, mainly marketing expenses (-1.7mln y/y, mainly related to UK in NHR costs), FAM (-0.1mln y/y in NHR costs and -1.3mln y/y in staff expenses).

Excluding costs strictly related to the growth of the business in FY20, mainly: marketing costs in UK (-7.2mln in NHR costs), additional marketing costs in Italy in 4Q20 to catch the positive momentum for growth (-1.3mln in NHR costs) and additional 4Q20 HR costs related to annual leaves cancelled during the December lock-down (-0.5mln in Staff expenses)

- › 1 - Executive Summary
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- › 5 – Balance Sheet, capital and funding
  
- › Appendix

# Safe Balance Sheet: simple, highly liquid

## Deposit modelling reflected in Investment portfolio

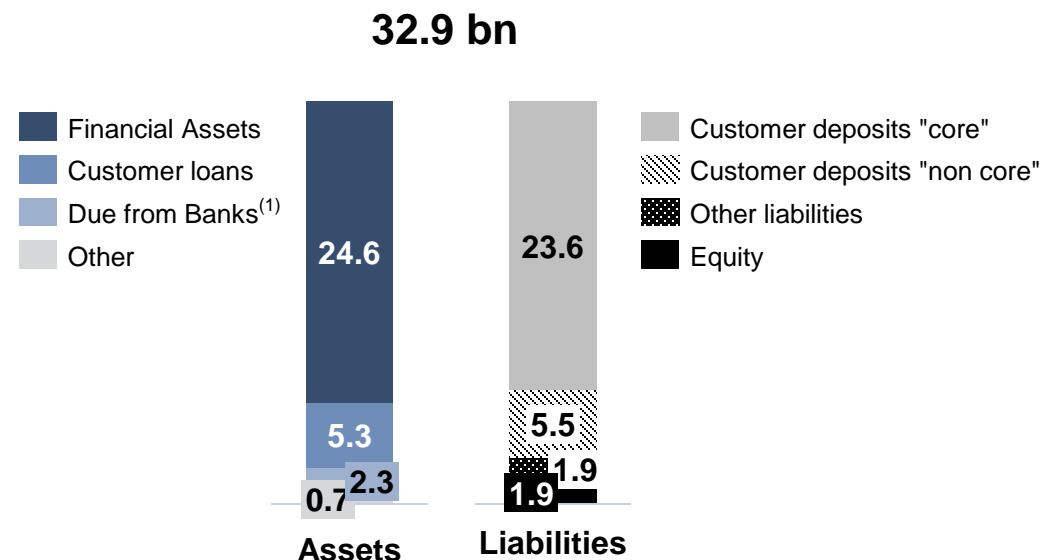
- **Deposit base made of transactional liquidity based on quality of services.** Cost of funding close to zero.
- **Core deposits invested in a significant percentage in HQLA (45%)**
- **TLTRO: we borrowed ~1bn starting from December 2020**

## Diversified investment portfolio

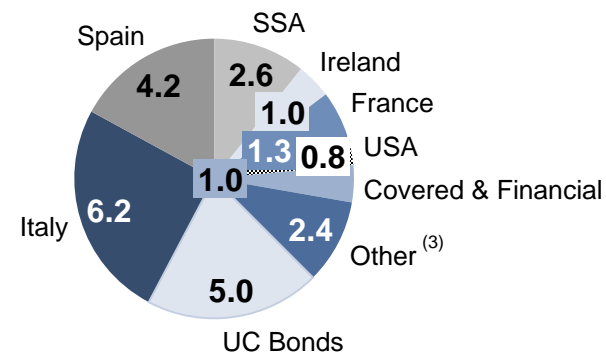
- **Investment strategy unchanged:** UC bonds run-offs, blend of government bonds diversified across countries, covered bonds, supranational and agencies.
- **99.6% not exposed to volatility** with no impact in our P&L and BS by the widening of spreads. HTC classification since November 2016
- **Avg maturity unchanged at ~ 5 years**

## High-quality lending growth

- Lending offered exclusively to our **well-known base of clients**
- **Low-risk:** CoR at 7bps, cautious approach on mortgages (LTV ~50%, avg maturity 18 yrs)
- **Strong competitive advantage leveraging on Big Data Analytics and internal IT culture** (resulting in unmatched user experience and high customer satisfaction), **continuous in-house innovation** (i.e. look-through implementation with significant benefits on CET1 ratio), **ownership and control of critical infrastructure**



## Total Bonds portfolio: 24.5 bn <sup>(2)</sup>



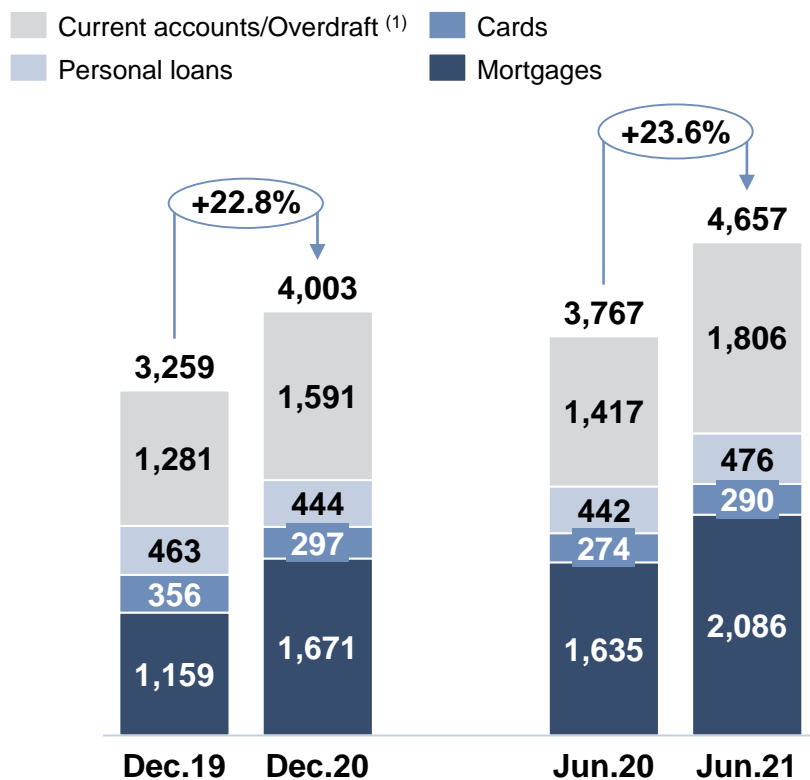
**Massive de-risking of the Balance Sheet thanks to the full collateralization of UC bonds (May 10<sup>th</sup>, 2019)**



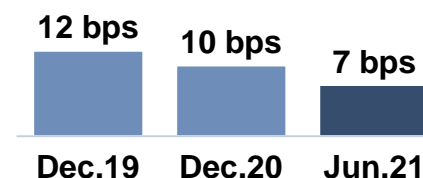
# High quality lending

Offered exclusively to the existing base of clients, leveraging on our internal Big Data analytics

## Commercial Loans Portfolio, eop mln



## Cost of Risk on commercial loans <sup>(2)</sup>



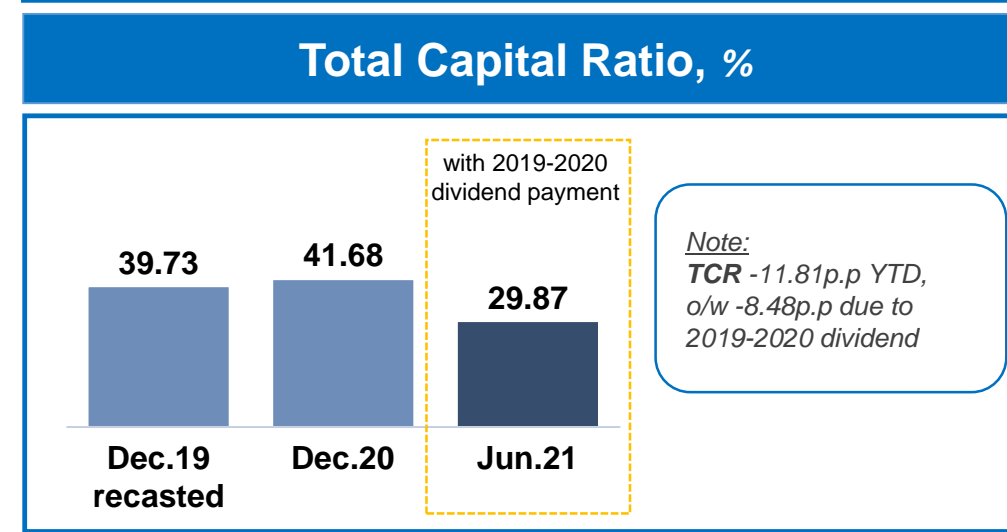
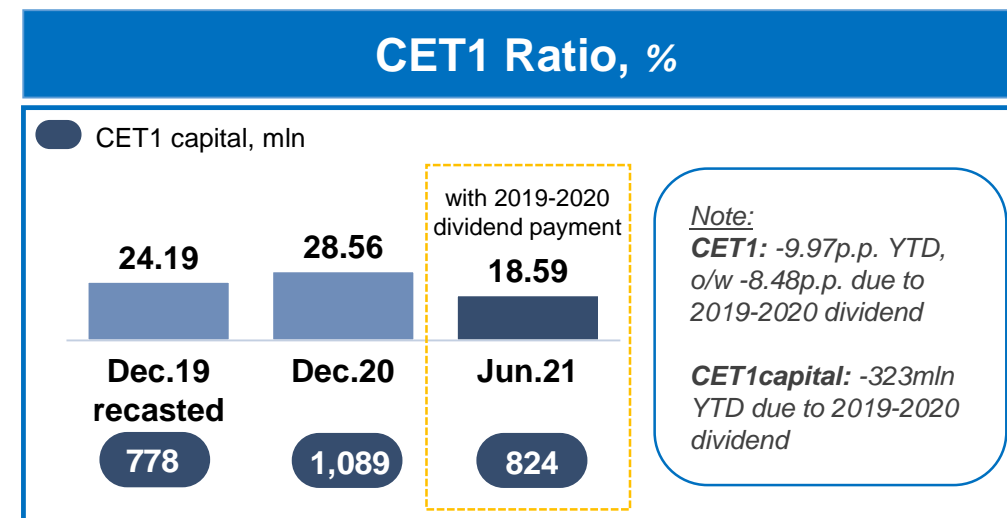
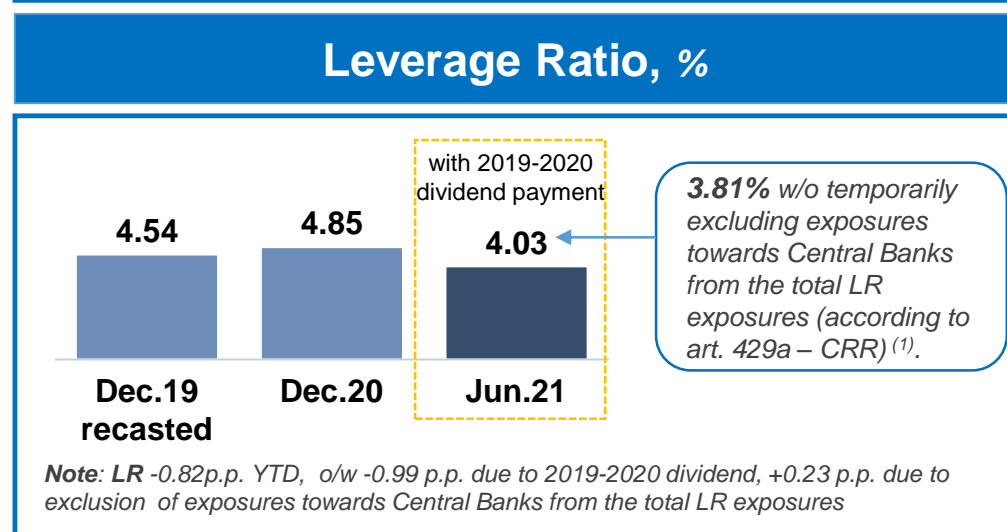
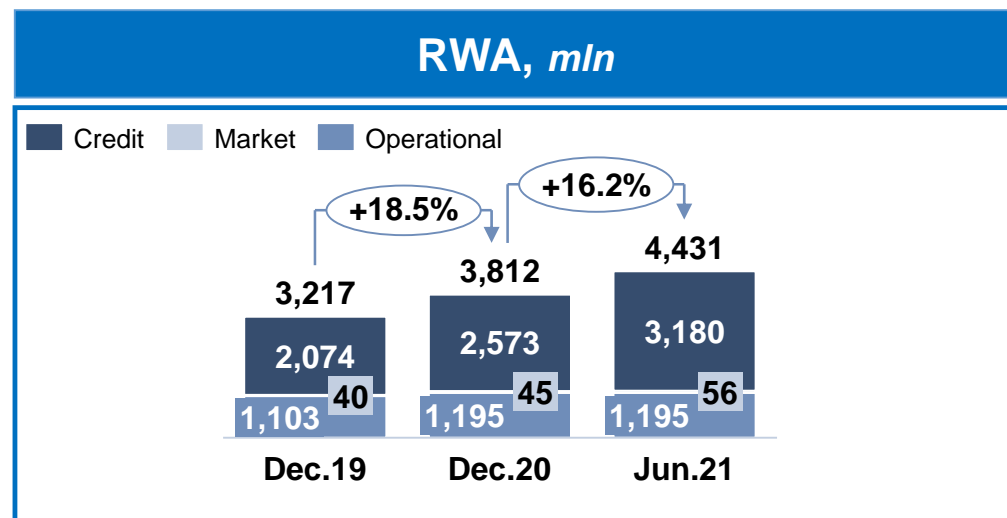
- **Cost of Risk well under control thanks** to the constant improvement in the quality of the credit which is mainly secured and low risk
- **We confirm our strategy aims to build a safe lending portfolio**, offering these products exclusively to our very well known base of clients, leveraging on a deep internal IT culture, powerful data warehouse system and Big Data analytics
- **For FY21 we expect a CoR below 10 bps** thanks to the high quality nature of our portfolio, even in a difficult context following Covid-19 outbreak and to the improvement of expected future macroeconomic scenario
- **Less than 300 mortgages moratoriums have been granted** until now

<sup>(1)</sup> Current accounts/overdraft Include Lombard loans

<sup>(2)</sup> Cost of Risk: commercial LLP of the last 12 months on average last 12 months commercial Loans; CoR as of Jun.21 and Dec.20 are pro-forma figures excluding a non recurring write-back

# Capital Ratios

Best in class capital position and low risk balance sheet



Dec.19 recasted does not include 2019 dividend payment of 32.0 €/cents

Following the communication by ECB (23 July 2021) and by Bank of Italy (27 July 2021) and following the dialogue with the Supervisory Authorities, the Board of Directors will propose at the Shareholders' meeting on 21st October 2021, to distribute a DPS equal to €0.53

<sup>(1)</sup> Following declarations by ECB (18th June 2021) and Bank of Italy (30th June 2021) to temporarily allow banks until March 2022 to exclude central bank exposures from their leverage ratio in exceptional macroeconomic circumstances

# Rating

BBB rating by S&P with Stable outlook

S&P	
Outlook	Stable
Long-term Issuer Rating	BBB
Long-term Bank Local Issuer Rating	BBB
Short-term Foreign Issuer Rating	A-2
Short-term Local Issuer Credit	A-2

## Key Considerations

- In July 2021 **S&P confirmed all FinecoBank S.p.A ratings** (first time published in July 2019) with Stable outlook for the Long-term Issuer Rating ("BBB") and Stable outlook for the Short Term Issuer Rating ("A-2")
- S&P sees benefits to Fineco's negligible exposure to credit risk and its sound capital base, together with a well-diversified and innovative business model

## Credit Highlights

- *"Fineco's digitalized business model will remain a differentiating factor that supports its strong performance, compared with peers."*
- *"The bank's diversified business activities makes it more resilient through the credit cycle compared to other traditional Italian commercial banks."*
- *"We anticipate Fineco's sound revenue prospects, very low cost of credit risk, and outstanding cost efficiency will remain supportive to its capitalization."*
- *"Fineco will likely maintain a strong control of nonfinancial and reputational risks intrinsic to its innovative business model, in our view."*

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- 
- › **Appendix**

# Current environment is further enlarging our growth opportunities

Current situation is accelerating the structural trends reshaping our society...

## DEMAND FOR ADVICE

Increasing participation in financial markets by Italians is building a **bridge among investing and brokerage**

## DIGITALIZATION

Society **structurally moving** towards a **more digitalized world**: a way of non-return

## DISRUPTION IN TRADITIONAL BANKS

Traditional banks not ready for the new paradigm: **flight-to-quality** is gaining momentum

...and strengthening our long term sustainable growth opportunities

### FinTech DNA:

we were born already digital

### Strengths of our business model:

quality, efficiency, innovation

### Transparency and fair prices:

pursued to achieve lasting returns and satisfied stakeholders

### Cyborg advisory:

our PFAs already used to assist clients in a digital world

- ✓ **Robust Net sales** with **good asset mix**
- ✓ **Boost in Investing** supported by FAM growth
- ✓ **Structurally higher Brokerage**
- ✓ Acceleration in **high-end clients' acquisition**
- ✓ **Decreasing Cost/Income**

# Long term sustainability at the heart of Fineco business model (1/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

**Our corporate purpose: to offer clients a quality one-stop-solution  
with a fair pricing leveraging on our 3 pillars**



## TRANSPARENCY

**Fairness** and respect  
for all our stakeholders

- ✓ FAM as a champion of ESG: **PERFORMANCE FEES FREE** trademark
- ✓ **FAIR PRICING**
- ✓ **LOW UPFRONT FEES** (only ~3% of Investing fees)



## EFFICIENCY

**Fintech DNA:** strong focus  
on IT & Operations, more  
flexibility, less costs

- ✓ Delivering **BEST-IN-CLASS CUSTOMER EXPERIENCE**
- ✓ **SHARING FAM BENEFITS WITH CLIENTS:**  
better quality and timely products with lower TER



## INNOVATION

Quality offer for highly  
**SATISFIED CLIENTS**

- ✓ **NO short-term AGGRESSIVE COMMERCIAL OFFERS** and  
**ZERO REMUNERATION** on current accounts
- ✓ Focus on **ORGANIC GROWTH**

# Long term sustainability at the heart of Fineco business model (2/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

## Sustainable since inception



### ✓ MARKET FRIENDLY CORPORATE GOVERNANCE:

- Up to 3 lists for Board renewal
- 10 independent Board members out of 11, o/w 6 women



- ✓ In 2020 AGM, 86% voted for the outgoing Board list proposal
- ✓ In 2021 AGM, 97% voted for 2021 remuneration policy



### ✓ Ramping up the GOVERNANCE OF SUSTAINABILITY:

- Sustainability Committee at Board and Managerial level
- Sustainability Team within CFO Department



### ✓ FOCUS on Cyber-Security and ESG risks leveraging on FINTECH DNA



- ✓ Broad **ESG product offer**: both on **Investing** (i.e. ~60% of funds have ESG rating Morningstar) and **Lending** (“Green mortgages”, Ecobonus and Sismabonus). Ignites Europe <sup>(1)</sup> stated in a recent study that according to Morningstar, FAM is the asset manager that issued the highest number of products (11 funds) under art. 8 of SFDR regulation among 83 asset managers



- ✓ **FinecoBank** is signatory of **UN Global Compact** and **UN PRB** (UN Principles for Responsible Banking)
- ✓ **Fineco AM** is signatory of **UN PRI** (UN Principles for Responsible Investing)

# Long term sustainability at the heart of Fineco business model (3/3)

We are a looking-forward organization playing for the long-run and able to generate a positive impact for all our stakeholders and the society as a whole

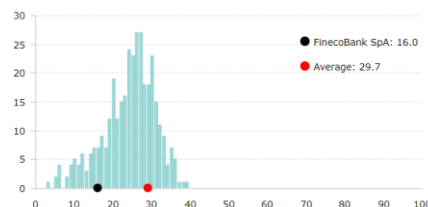
## ESG RATINGS



One of the 2 banks in the world with rating **"EE+"** (very strong)  
(range from "F" to "EEE")



**"A"**  
(range from "CCC" to "AAA")



Among the best banks internationally  
**16.0 (Low risk)**



Better than direct peers: **83/110**

## ESG INDICES

Fineco **included** in:



FTSE4Good



Nasdaq CRD Global Sustainability Index

## RECENT AWARDS



**MF Innovation Awards 2019** with the Remix Mortgage



**Top Employer Italy 2021**



**Excellence in Customer Experience 2020**



**MF Banking Awards and MF ESG Awards 2021** assigned for the Standard Ethics rating



**Private Banking Awards 2020** «Innovation in customer Experience»

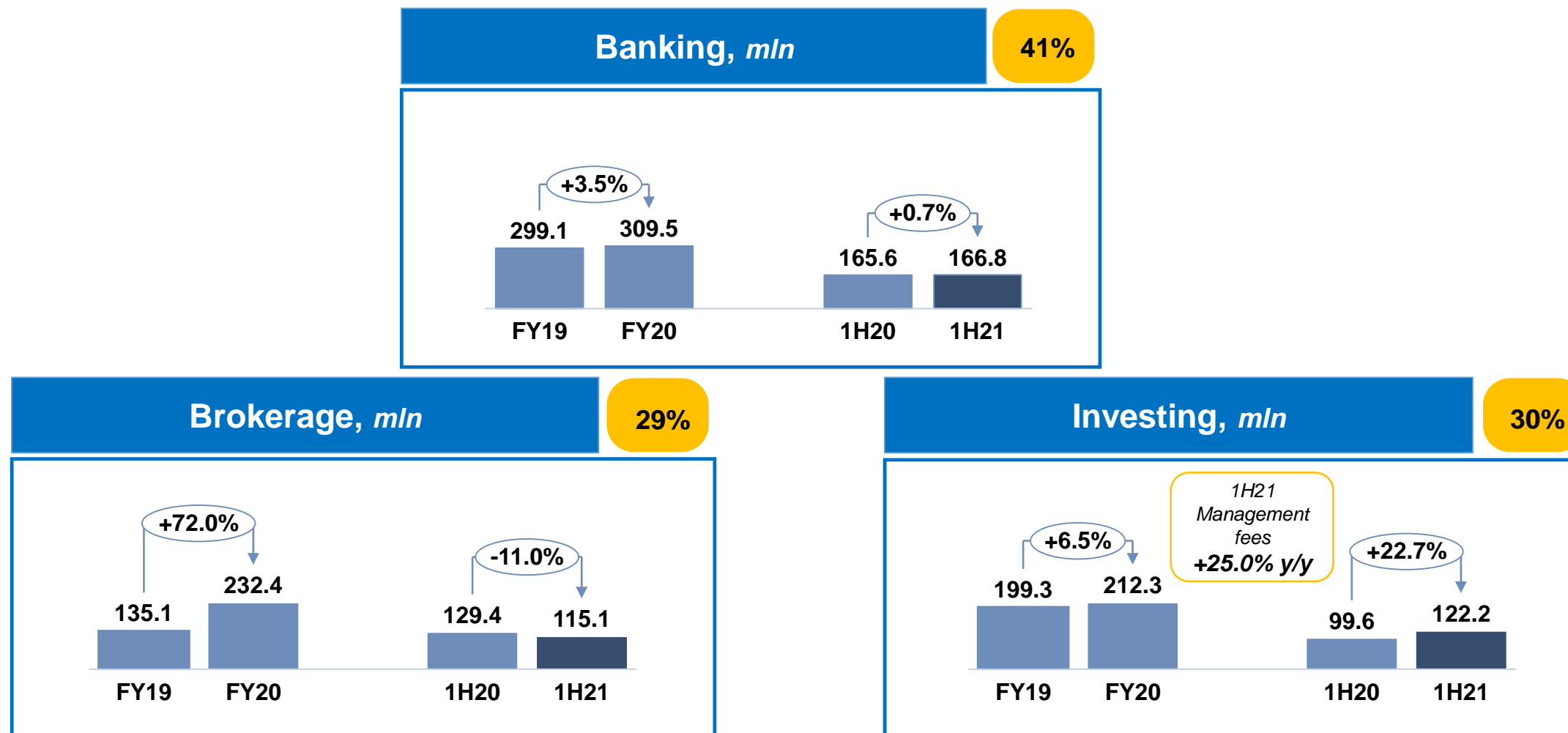


**Sustainability Leader 2021**



# Revenues by Product Area

Well diversified stream of revenues allow the bank to successfully face any market environment

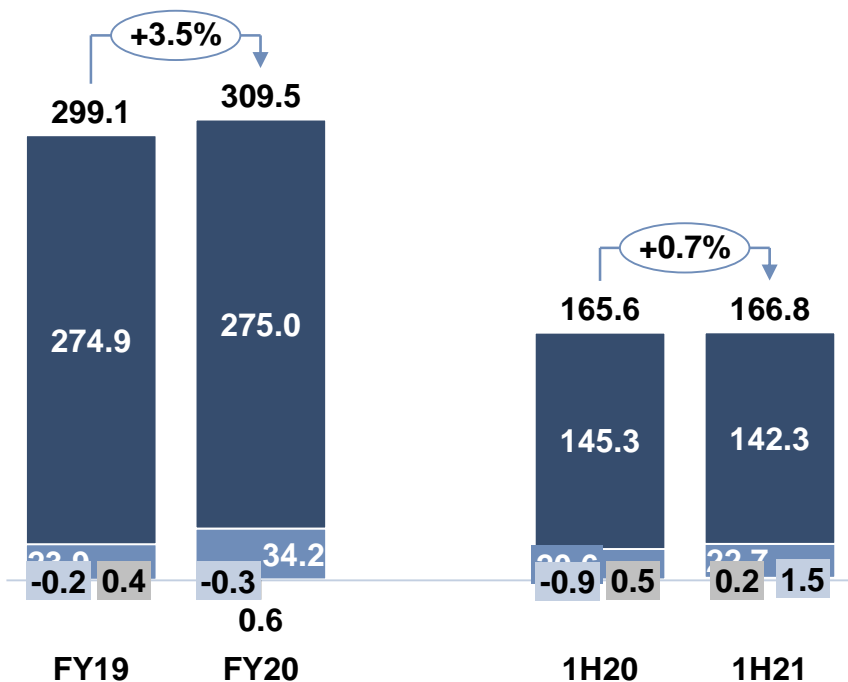


# Banking

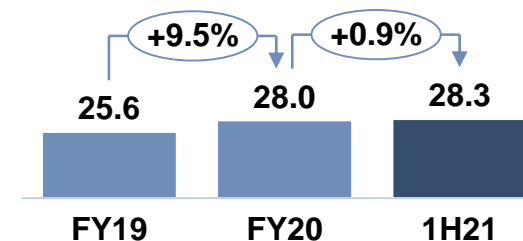
Sound performance and relentless clients' acquisition, thanks to high quality services and best-in-class customer satisfaction

## Revenues, mln

Net Financial Income    Trading income  
Fees and commissions    Other

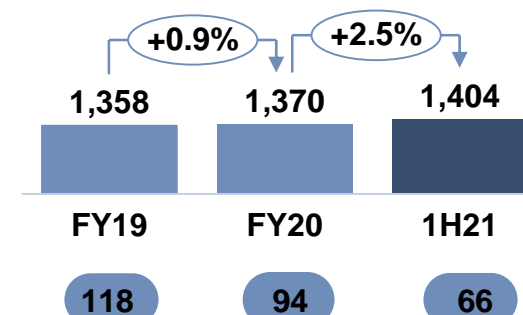


## Deposits, eop bn



## Clients and new clients

thd, #    # of new clients



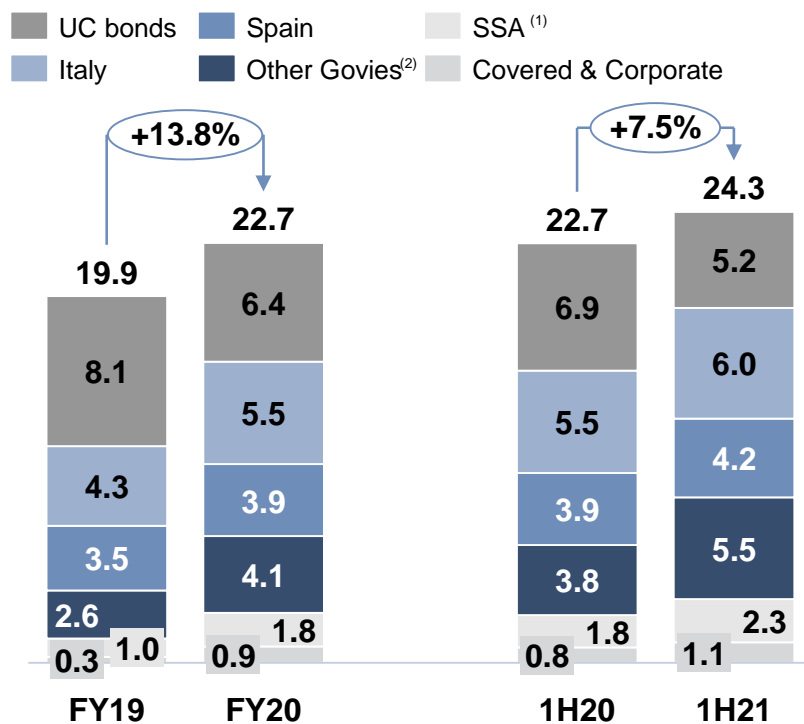
Managerial Data

Fees and commissions related to PFA incentives have been recasted into Investing Net commissions in order to give a better representation of Investing revenues (for details please refer to slide 43)

# Financial Investments

Further improvements for a diversified asset side

## Bond Portfolio, avg bn

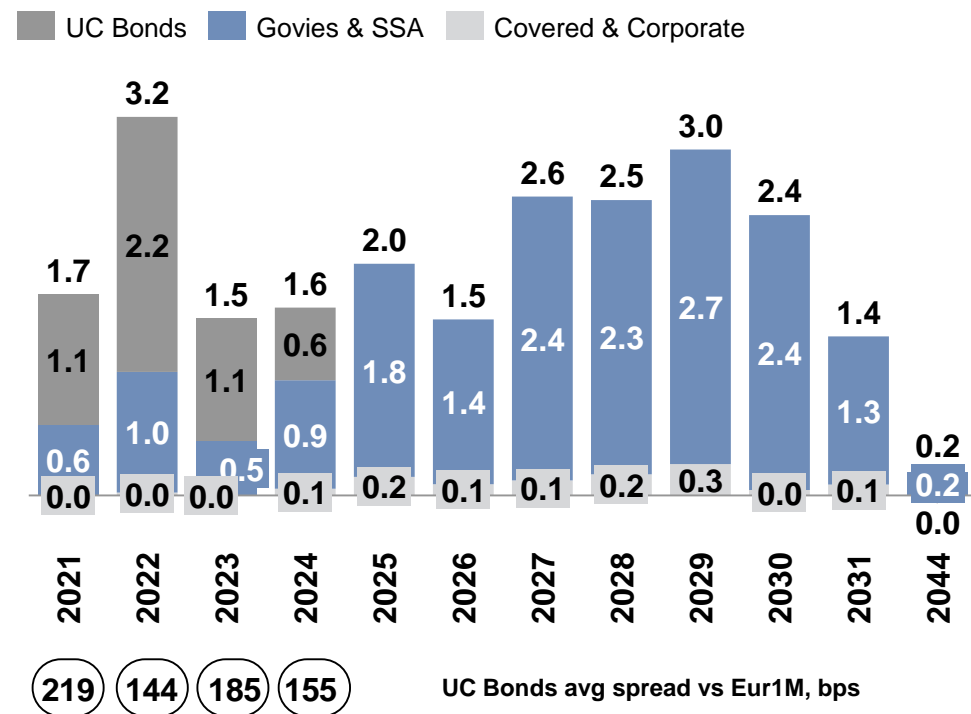


**Avg Bond portfolio 1H21 (excl. UC Bonds):**

**19.2bn, +21.5% y/y**

**67% at fixed rate, avg yield: 54bps<sup>(3)</sup>**

## Bond portfolio run-offs, eop bn



**Residual maturity total portfolio: 5.2 yrs**

*o/w UC Bonds: 1.2 yrs*

*o/w bonds (excl. UC bonds): 6.3 yrs*

<sup>(1)</sup> Sovereign Supranational and Agencies

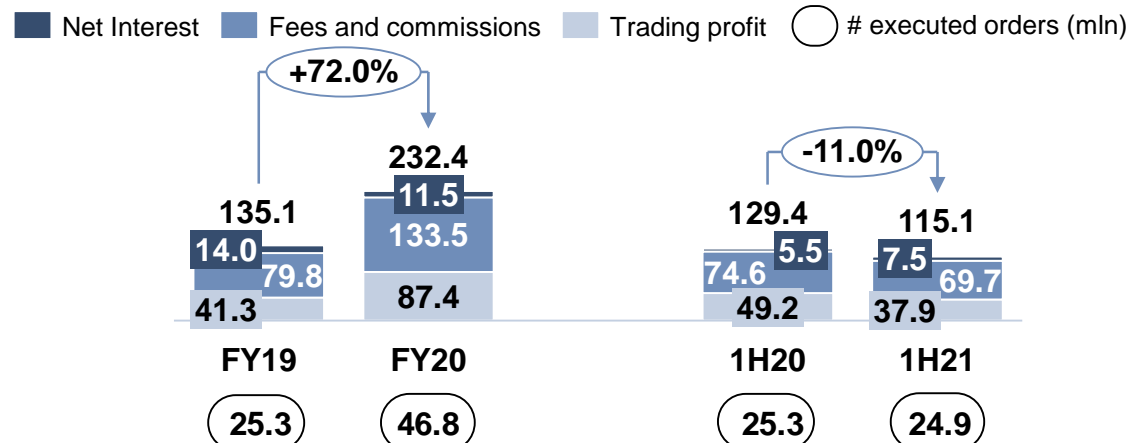
<sup>(2)</sup> Avg 1H21 "Other" includes: 1.3bn France, 1.0bn Ireland, 0.8bn USA, 0.6bn Belgium, 0.5bn Austria, 0.4bn Portugal, 0.2bn Israel, 0.2bn Chile, 0.2bn Saudi Arabia, 0.1bn Germany, 0.1bn other (UK, Poland, Switzerland, Iceland, Latvia, Qatar)

<sup>(3)</sup> Calculated on nominal value as of June 30<sup>th</sup> 2021

# Brokerage

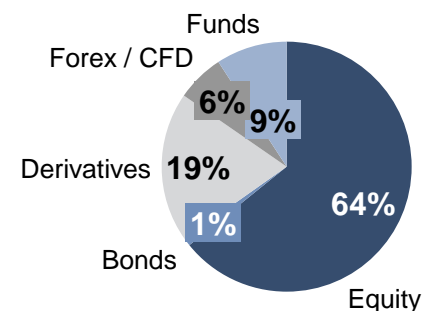
Structurally higher revenues floor despite lower market volatility and volumes vs 1H20

## Revenues, mln

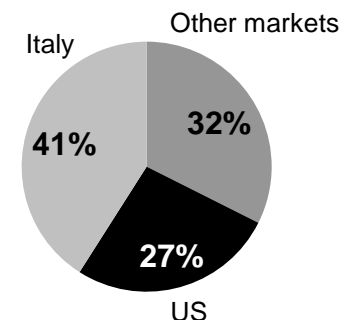


## Well-diversified brokerage offer

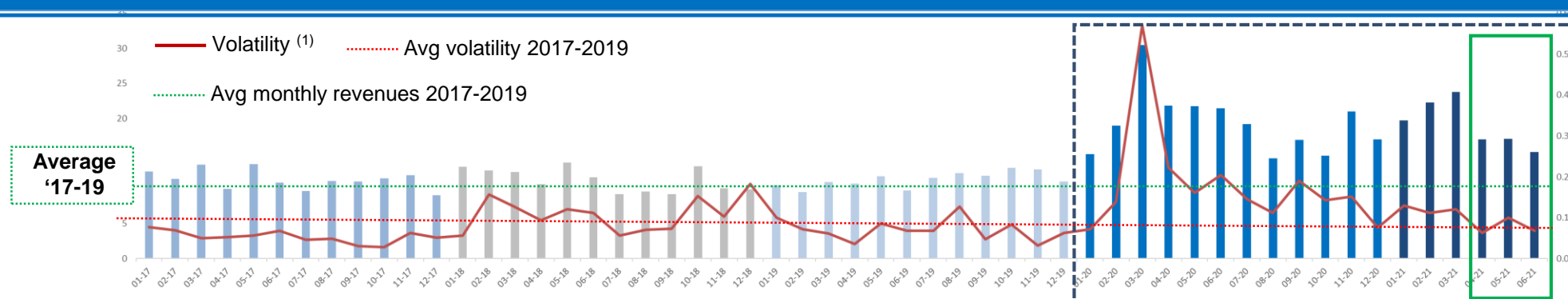
### among products...



### ...and geographies



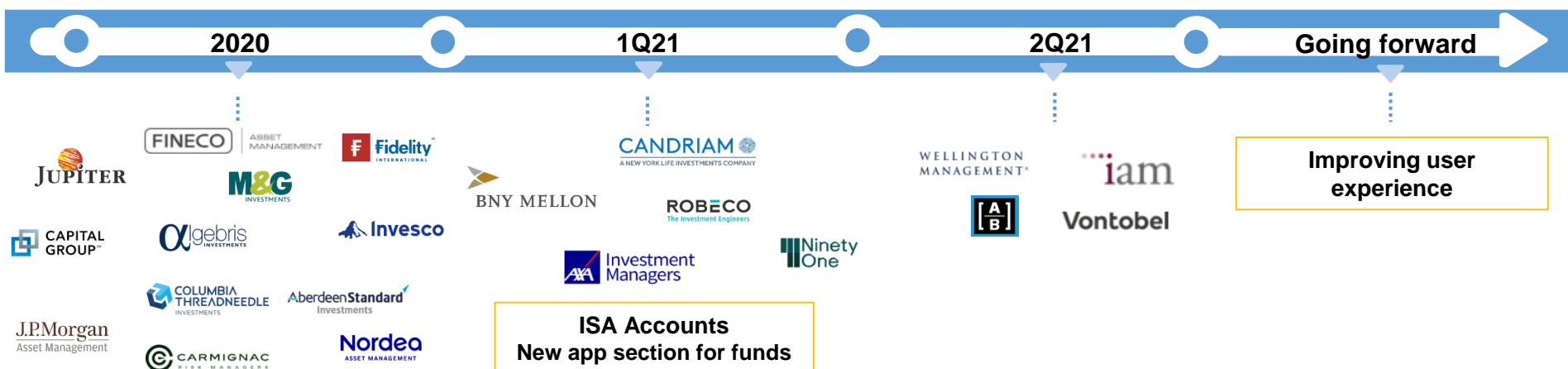
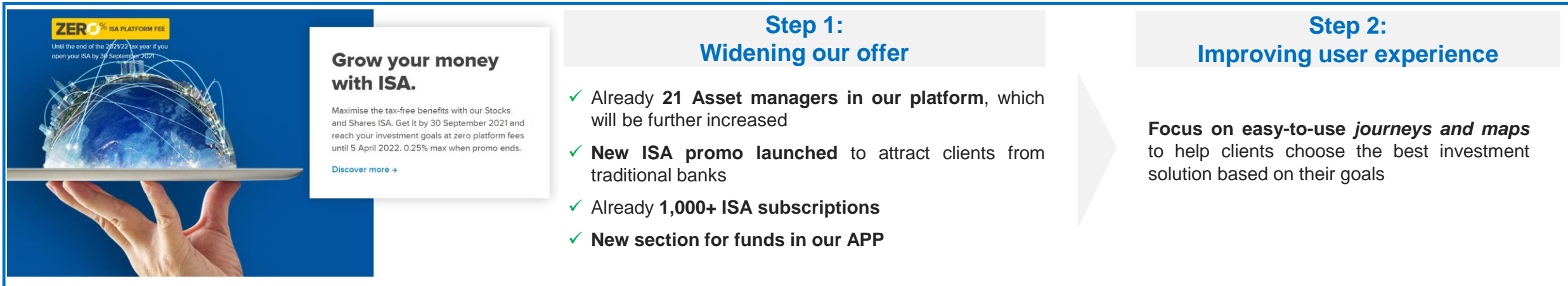
## Structural growth in brokerage revenues: the floor has gone up in a clear way regardless of volatility



# Fineco UK: Investing in the spotlight

ISA accounts offer, already 1,000+ subscriptions. Next step: improving our user experience

## The new phase: building up our Investing offer and improving user experience

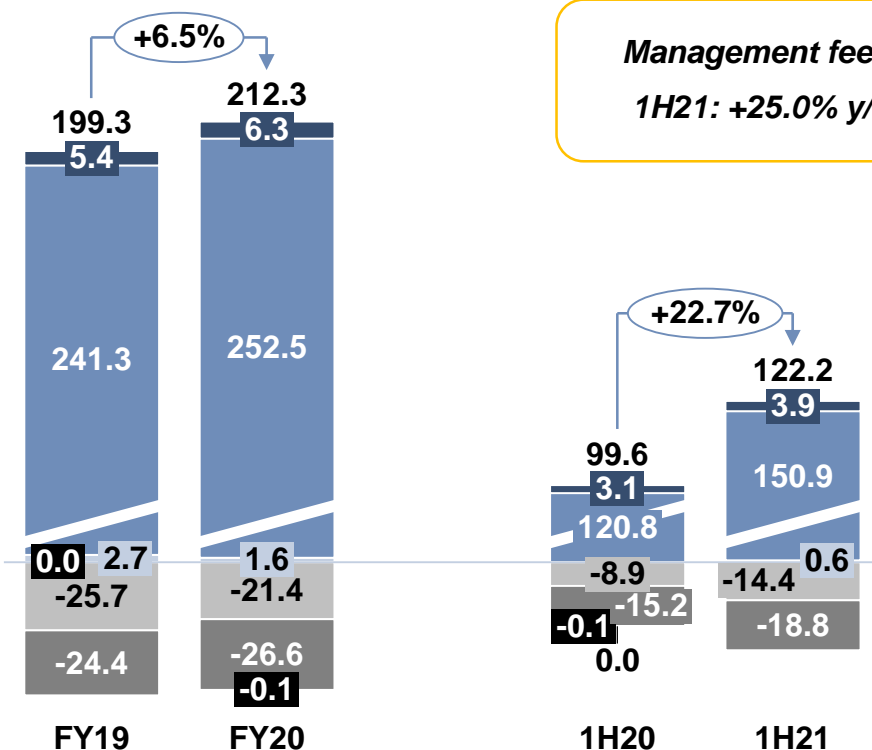


# Investing

1H21 revenues increasing thanks to volume effect and strong acceleration in AUM net sales. Margins slightly higher thanks to the operational efficiency given by Fineco Asset Management and a first sign of higher risk appetite by clients

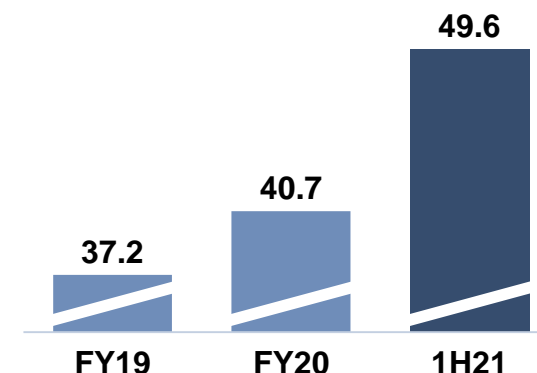
## Investing Revenues, mln

Upfront fees    PFA incentives<sup>(1)</sup>    Other commissions<sup>(3)</sup>  
 Management fees    Other PFA costs<sup>(2)</sup>    Other income



## Asset under Management, bn daily avg

**Avg AuM**  
(on daily basis, bn)



**1H21 Management fees margins:**

After tax: 46bps (45bps in FY20)

Pre tax: 63bps (62bps in FY20)

Costs related to the Network of PFA recasted from Other Administrative Expenses (recruiting, loyalty plan, FIRR, Enasarco), other income related to revenues coming from FAM costs efficiencies achieved during the year related to fund restructuring and other product area into Investing Net commissions in order to give a better representation of Investing revenues

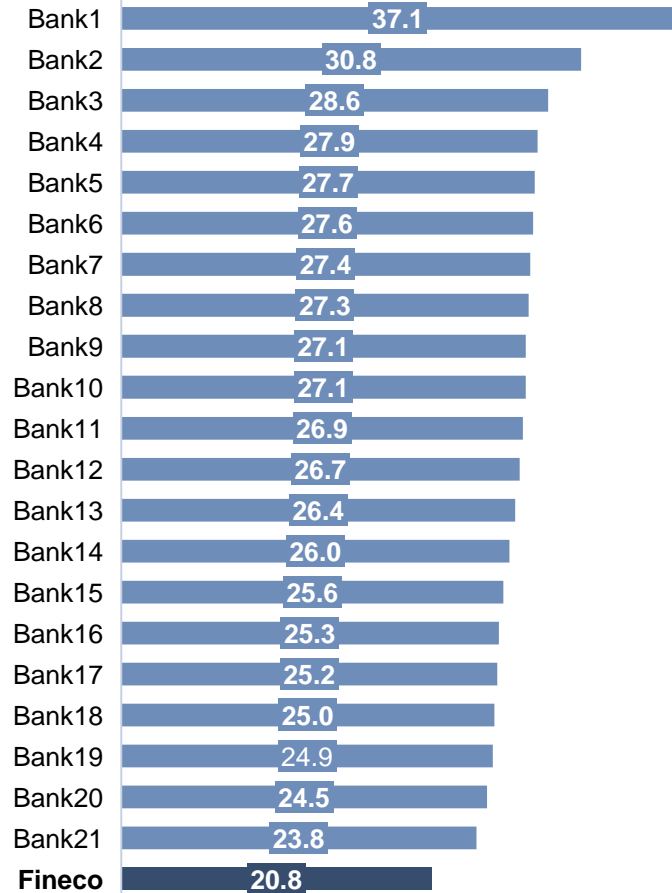
<sup>(1)</sup> "PFA Incentives" includes the recast of incentives to the Network of PFA from other product area into investing incentives following the change of the incentive system for PFA, which is now only based on AUM

<sup>(2)</sup> "Other PFA costs" includes costs related to the Network of PFA recasted from Other Administrative Expenses (recruiting, loyalty plan, FIRR, Enasarco) into Net commissions in order to give a better representation of Investing revenues. For details please refer to slide 43

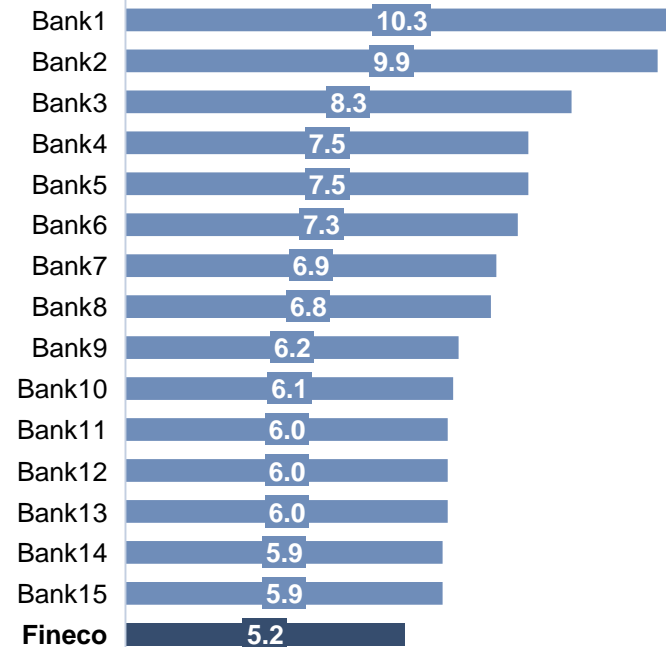
<sup>(3)</sup> "Other Commissions" includes other revenues coming from FAM costs efficiencies

# Fineco MREL requirement: the lowest among the disclosed ones

Final MREL requirement - % RWA



Final MREL requirement - % LRE



# Additional Tier 1

First public placement successfully issued with strong demand (9x the offer)

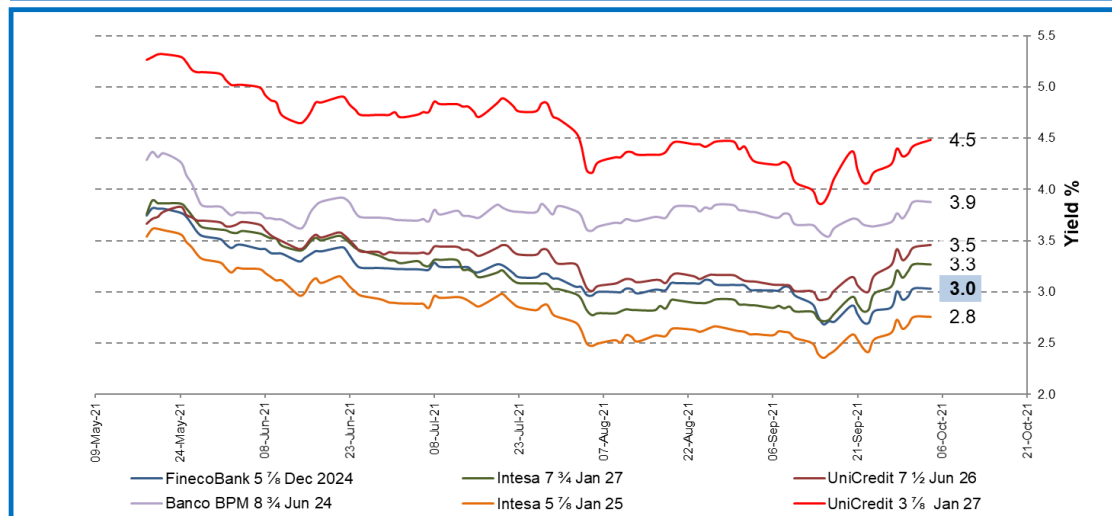
## €200 mln AT1 issued in January 2018

- On January 23<sup>rd</sup>, 2018 the Bank issued a **€200mln** perpetual AT1
- Coupon fixed at **4.82%** for the initial **5.5 years**
- **Private placement**, fully subscribed by UniCredit SpA
- **Semi-annual coupon**
- Coupon (net of taxes) will impact directly Equity reserves

## €300 mln AT1 issued in July 2019

- On July 11<sup>th</sup>, 2019 Fineco issued a **€300mln** perpetual AT1 in order to maintain the Leverage Ratio above 3.5% after the exit from the UniCredit Group
- Coupon fixed at **5.875%** (initial guidance at 6.5%) for the initial **5.5 years**
- **Public placement**, with strong demand (9x, €2.7bn), listed in Euronext Dublin
- **Semi-annual coupon**
- Coupon (net of taxes) will impact directly Equity reserves
- The instrument was assigned a **BB- rating by S&P**

## Italian AT1 yield at first call date



On July 21<sup>st</sup>, 2021  
**S&P Global Ratings**  
confirmed Fineco's ratings  
at **BBB/A-2**, with **Stable**  
outlook



# P&L pro-forma<sup>(1)</sup>

## New P&L pro-forma<sup>(1)</sup> (recasted)

mln	FY19	FY20	1H20	1H21
Net financial income	284.9	279.7	147.0	147.9
o/w Net Interest Income	281.3	270.7	138.2	124.3
o/w Profit from treasury management	3.6	9.0	8.8	23.6
Net commissions	303.5	379.4	194.5	214.3
Trading profit	41.1	86.8	47.7	40.6
Other expenses/income	0.9	1.9	1.4	0.6
<b>Total revenues</b>	<b>630.4</b>	<b>747.8</b>	<b>390.6</b>	<b>403.5</b>
Staff expenses	-90.2	-99.5	-48.9	-52.9
Other admin.exp. net of recoveries	-112.2	-118.0	-55.9	-60.6
D&A	-22.9	-25.4	-12.3	-12.7
<b>Operating expenses</b>	<b>-225.2</b>	<b>-243.0</b>	<b>-117.0</b>	<b>-126.1</b>
<b>Gross operating profit</b>	<b>405.2</b>	<b>504.8</b>	<b>273.6</b>	<b>277.4</b>
Provisions	-27.2	-34.1	-7.6	-14.0
LLP	-2.0	-3.3	-3.7	-1.7
Profit from investments	7.4	-6.3	-3.8	1.2
<b>Profit before taxes</b>	<b>383.5</b>	<b>461.1</b>	<b>258.5</b>	<b>262.9</b>
Income taxes	-95.1	-137.5	-78.3	-46.2
<b>Net profit for the period</b>	<b>288.4</b>	<b>323.6</b>	<b>180.2</b>	<b>216.7</b>
<b>Net profit adjusted <sup>(2)</sup></b>	<b>272.3</b>	<b>324.5</b>	<b>181.0</b>	<b>184.6</b>

Non recurring items (mln, gross)	FY19	FY20	1H20	1H21
Extraord systemic charges (Trading Profit) <sup>(3)</sup>	-3.0	-1.4	-1.2	0.0
Patent Box	18.1	0.0	0.0	0.0
Realignment of Intangible Assets	0.0	0.0	0.0	32.0
<b>Total</b>	<b>15.1</b>	<b>-1.4</b>	<b>-1.2</b>	<b>32.0</b>

Reconciliation (mln)	FY19	FY20	1H20	1H21
Net commissions	-21.6	-24.9	-15.2	-18.1
Other expenses/income	-2.7	-1.6	0.0	-0.6
Other admin.exp. net of recoveries	24.4	26.6	15.2	18.8

## P&L pro-forma<sup>(1)</sup> non recasted (old)

mln	FY19	FY20	1H20	1H21
Net financial income	284.8	279.7	147.0	147.9
o/w Net Interest Income	281.3	270.7	138.2	124.3
o/w Profit from treasury management	3.5	9.0	8.8	23.6
Net commissions	325.2	404.3	209.7	232.5
Trading profit	41.2	86.8	47.7	40.6
Other expenses/income	3.6	3.6	1.4	1.3
<b>Total revenues</b>	<b>654.8</b>	<b>774.4</b>	<b>405.8</b>	<b>422.2</b>
Staff expenses	-90.2	-99.5	-48.9	-52.9
Other admin.exp. net of recoveries	-136.6	-144.6	-71.1	-79.3
D&A	-22.9	-25.4	-12.3	-12.7
<b>Operating expenses</b>	<b>-249.6</b>	<b>-269.6</b>	<b>-132.2</b>	<b>-144.9</b>
<b>Gross operating profit</b>	<b>405.2</b>	<b>504.8</b>	<b>273.6</b>	<b>277.4</b>
Provisions	-27.2	-34.1	-7.6	-14.0
LLP	-2.0	-3.3	-3.7	-1.7
Profit from investments	7.4	-6.3	-3.8	1.2
<b>Profit before taxes</b>	<b>383.5</b>	<b>461.1</b>	<b>258.5</b>	<b>262.9</b>
Income taxes	-95.1	-137.5	-78.3	-46.2
<b>Net profit for the period</b>	<b>288.4</b>	<b>323.6</b>	<b>180.2</b>	<b>216.7</b>
<b>Net profit adjusted <sup>(2)</sup></b>	<b>272.3</b>	<b>324.5</b>	<b>181.0</b>	<b>184.6</b>

Non recurring items (mln, gross)	FY19	FY20	1H20	1H21
Extraord systemic charges (Trading Profit) <sup>(3)</sup>	-3.0	-1.4	-1.2	0.0
Patent Box	18.1	0.0	0.0	0.0
Realignment of Intangible Assets	0.0	0.0	0.0	32.0
<b>Total</b>	<b>15.1</b>	<b>-1.4</b>	<b>-1.2</b>	<b>32.0</b>

In our 2Q21 Results presentation, we have recasted into Net commissions (Investing):

- 1) Other expenses/income, represented by cost efficiencies achieved by Fineco Asset Management (already accounted into investing revenues)
- 2) Other Administrative Expenses, represented by costs related to the Network of PFAs (recruiting, loyalty, FIRR, Enasarco)

# P&L net of non recurring items

## New P&L pro-forma<sup>(1)</sup> recasted net of non recurring items

<i>mln</i>	FY19 Adj. <sup>(1)</sup>	FY20 Adj. <sup>(1)</sup>	1H20 Adj. <sup>(1)</sup>	1H21 Adj. <sup>(1)</sup>
Net financial income	284.9	279.7	147.0	147.9
<i>o/w Net interest income</i>	281.3	270.7	138.2	124.3
<i>o/w Profit from treasury</i>	3.6	9.0	8.8	23.6
Net commissions	303.5	379.4	194.5	214.3
Trading profit	44.1	88.2	48.9	40.6
Other expenses/income	0.9	1.9	1.4	0.6
<b>Total revenues</b>	<b>633.4</b>	<b>749.2</b>	<b>391.8</b>	<b>403.5</b>
Staff expenses	-90.2	-99.5	-48.9	-52.9
Other admin.expenses	-112.2	-118.0	-55.9	-60.6
D&A	-22.9	-25.4	-12.3	-12.7
<b>Operating expenses</b>	<b>-225.2</b>	<b>-243.0</b>	<b>-117.0</b>	<b>-126.1</b>
<b>Gross operating profit</b>	<b>408.2</b>	<b>506.2</b>	<b>274.8</b>	<b>277.4</b>
Provisions	-27.2	-34.1	-7.6	-14.0
LLP	-2.0	-3.3	-3.7	-1.7
Profit from investments	7.4	-6.3	-3.8	1.2
<b>Profit before taxes</b>	<b>386.4</b>	<b>462.5</b>	<b>259.7</b>	<b>262.9</b>
Income taxes	-114.2	-138.0	-78.7	-78.2
<b>Net profit adjusted <sup>(1)</sup></b>	<b>272.3</b>	<b>324.5</b>	<b>181.0</b>	<b>184.6</b>

We have recasted into Net commissions (Investing):

- 1) Other expenses/income, represented by cost efficiencies achieved by Fineco Asset Management (already accounted into investing revenues)
- 2) Other Administrative Expenses, represented by costs related to the Network of PFAs (recruiting, loyalty, FIRR, Enasarco)

<b>Reconciliation (mln)</b>	FY19 Adj. <sup>(1)</sup>	FY20 Adj. <sup>(1)</sup>	1H20 Adj. <sup>(1)</sup>	1H21 Adj. <sup>(1)</sup>
Net commissions	-21.6	-24.9	-15.2	-18.1
Other expenses/income	-2.7	-1.6	0.0	-0.6
Other admin.exp. net of recoverie	24.4	26.6	15.2	18.8

# Revenues breakdown by Product Area

## P&L by product area Recasted

<i>mln</i>	FY19	FY20	1H20	1H21
Net financial income	274.9	275.0	145.3	142.3
<i>o/w Net interest income</i>	271.3	266.0	136.4	118.8
<i>o/w Profit from Treasury Management</i>	3.6	9.0	8.8	23.6
Net commissions	23.9	34.2	20.6	22.7
Trading profit	-0.2	-0.3	-0.9	1.5
Other	0.4	0.6	0.5	0.2
<b>Total Banking</b>	<b>299.1</b>	<b>309.5</b>	<b>165.6</b>	<b>166.8</b>
Net interest income	14.0	11.5	5.5	7.5
Net commissions	79.8	133.5	74.6	69.7
Trading profit	41.3	87.4	49.2	37.9
Other	0.0	0.0	0.0	0.0
<b>Total Brokerage</b>	<b>135.1</b>	<b>232.4</b>	<b>129.4</b>	<b>115.1</b>
Net interest income	0.0	0.0	0.0	0.0
Net commissions	199.3	212.4	99.7	122.2
Trading profit	0.0	0.0	0.0	0.0
Other	0.0	-0.1	-0.1	0.0
<b>Total Investing</b>	<b>199.3</b>	<b>212.3</b>	<b>99.6</b>	<b>122.2</b>

<b>Reconciliation (mln)</b>	FY19	FY20	1H20	1H21
Net commissions	-21.6	-24.9	-15.2	-18.1
<i>o/w banking</i>	2.7	3.2	1.5	1.6
<i>o/w brokerage</i>	2.5	3.1	1.5	1.6
<i>o/w investing</i>	-26.8	-31.3	-18.2	-21.3
Other expenses/income	-2.7	-1.6	0.0	-0.6
Other admin.exp. net of recoveries	24.4	26.6	15.2	18.8

We have recasted into Net commissions (Investing):

- 1) Other expenses/income, represented by cost efficiencies achieved by Fineco Asset Management (already accounted into investing revenues)
- 2) Other Administrative Expenses, represented by costs related to the Network of PFAs (recruiting, loyalty, FIRR, Enasarco)
- 3) PFA Incentives previously accounted into other product areas, following the change of the PFAs incentive scheme (which is now only based on AUM)

# Details on Net Interest Income

<i>mln</i>	FY19	Volumes & Margins	FY20	Volumes & Margins	1H20	Volumes & Margins	1H21	Volumes & Margins
Financial Investments	227.0	21,039.5	213.1	22,761	111.1	22,609	87.8	24,199
<i>Net Margin</i>		1.08%		0.94%		0.99%		0.73%
<i>Gross margin</i>		1.12%	216.1	0.95%	113.9	1.01%	88.0	0.73%
Treasury activities <sup>(1)</sup>	1.4	382	7.4	1,709	2.8	1,310	8.3	2,963
<i>Net Margin</i>		0.37%		0.43%		0.43%		0.57%
Leverage - Long	12.4	148	11.1	136	5.2	127	7.3	185
<i>Net Margin</i>		8.39%		8.20%		8.29%		8.02%
Tax Credit	0.0	0	0.0	0	0.0	0	0.3	21
<i>Net Margin</i>		0.00%		0.00%		0.00%		2.48%
Lending	43.3	2,614	45.0	3,435	22.3	3,243	22.2	3,971
<i>Net Margin</i>		1.66%		1.31%		1.39%		1.13%
<i>o/w Current accounts</i>	12.7	1,141	14.3	1,418	7.0	1,345	7.5	1,690
<i>Net Margin</i>		1.11%		1.01%		1.04%		0.90%
<i>o/w Cards</i>	4.9	43	4.5	40	2.3	41	2.0	35
<i>Net Margin</i>		11.41%		11.42%		11.41%		11.38%
<i>o/w Personal loans</i>	18.3	451	17.4	447	8.9	455	8.5	456
<i>Net Margin</i>		4.05%		3.88%		3.93%		3.78%
<i>o/w Mortgages</i>	7.4	979	8.8	1,530	4.1	1,402	4.1	1,790
<i>Net Margin</i>		0.76%		0.57%		0.59%		0.46%
Other <sup>(2)</sup>	-2.8		-5.9		-3.3		-1.6	
<b>Total</b>	<b>281.3</b>		<b>270.7</b>		<b>138.2</b>		<b>124.3</b>	
<b>Gross Margin</b>		<b>1.20%</b>		<b>0.99%</b>		<b>1.06%</b>		<b>0.81%</b>
<b>Cost of Deposits</b>		<b>-0.04%</b>		<b>-0.01%</b>		<b>-0.02%</b>		<b>0.00%</b>

Volumes and margins: average of the period  
Net margin calculated on real interest income and expenses

<sup>(1)</sup> Treasury activities: Unsecured lending, collateral switch, tiering, TLTRO

# Balance Sheet

<i>mln</i>	Dec.19	Jun.20	Dec.20	Jun.21
Due from Banks <sup>(1)</sup>	1,320	1,633	2,541	2,253
Customer Loans	3,680	4,204	4,528	5,269
Financial Assets	22,313	22,961	23,957	24,648
Tangible and Intangible Assets	279	280	281	281
Derivatives	65	76	74	85
Tax credit acquired	0	0	0	75
Other Assets	366	259	374	293
<b>Total Assets</b>	<b>28,023</b>	<b>29,412</b>	<b>31,755</b>	<b>32,905</b>
Customer Deposits	25,920	27,021	28,360	29,141
Due to Banks	155	113	1,065	1,173
Derivatives	95	207	232	119
Funds and other Liabilities	471	515	411	575
Equity	1,382	1,556	1,687	1,897
<b>Total Liabilities and Equity</b>	<b>28,023</b>	<b>29,412</b>	<b>31,755</b>	<b>32,905</b>

<sup>(1)</sup> Due from banks includes cash deposited at Bank of Italy: 1.6bn as of June 2021, 1.8bn as of Dec.2020, 0.9bn as of June 2020, 0.8bnn as of Dec.2019

# Breakdown Total Financial Assets

<i>mln</i>	Dec.19	Jun.20	Dec.20	Jun.21
<b>AUM</b>	<b>40,505</b>	<b>40,083</b>	<b>45,381</b>	<b>51,399</b>
o/w Funds and Sicav	28,786	27,657	31,578	35,699
o/w Insurance	10,115	10,676	11,819	13,448
o/w GPM	93	169	209	282
o/w AuC + deposits under advisory	1,512	1,580	1,776	1,970
<i>o/win Advice</i>	598	550	561	596
<i>o/win Plus</i>	914	1,030	1,215	1,374
<b>AUC</b>	<b>15,324</b>	<b>16,486</b>	<b>18,314</b>	<b>21,760</b>
o/w Equity	9,841	10,565	12,614	15,695
o/w Bond	5,448	5,878	5,637	5,993
o/w Other	35	43	63	72
<b>Direct Deposits</b>	<b>25,590</b>	<b>26,077</b>	<b>28,014</b>	<b>28,273</b>
o/w Sight	25,588	26,077	28,014	28,273
o/w Term	1	1	0	0
<b>Total</b>	<b>81,419</b>	<b>82,646</b>	<b>91,709</b>	<b>101,431</b>

<i>o/w Guided Products &amp; Services</i>	<b>28,788</b>	<b>28,984</b>	<b>33,420</b>	<b>38,531</b>
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<i>o/w TFA FAM retail</i>	<b>8,391</b>	<b>8,920</b>	<b>10,542</b>	<b>13,215</b>
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<i>o/w TFA Private Banking</i>	<b>33,437</b>	<b>33,024</b>	<b>38,614</b>	<b>44,763</b>
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# Main Financial Ratios

	Dec.19	Jun.20	Dec.20	Jun.21
<b>PFA TFA/ PFA (mln) <sup>(1)</sup></b>	<b>27.8</b>	<b>27.9</b>	<b>30.6</b>	<b>32.5</b>
<b>Guided Products / TFA <sup>(2)</sup></b>	<b>35%</b>	<b>35%</b>	<b>36%</b>	<b>38%</b>
<b>Cost / income Ratio <sup>(3)</sup></b>	<b>37.9%</b>	<b>29.9%</b>	<b>32.4%</b>	<b>31.3%</b>
<b>CET 1 Ratio</b>	<b>restated 24.2%</b>	<b>24.1%</b>	<b>28.6%</b>	<b>18.6%</b>
<b>Adjusted RoE <sup>(4)</sup></b>	<b>restated 25.1%</b>	<b>26.0%</b>	<b>21.2%</b>	<b>23.3%</b>
<b>Leverage Ratio</b>	<b>restated 4.54%</b>	<b>4.41%</b>	<b>4.85%</b>	<b>4.03%</b>
<b>Leverage Ratio excl. temporary exemption <sup>(5)</sup></b>	<b>restated 4.54%</b>	<b>4.41%</b>	<b>4.85%</b>	<b>3.81%</b>
<b>LCR</b>	<b>~1000%</b>	<b>&gt;900%</b>	<b>&gt;900%</b>	<b>~867%</b>
<b>NSFR</b>	<b>261%</b>	<b>~300%</b>	<b>309%</b>	<b>&gt;300%</b>

<sup>(1)</sup> PFA TFA/PFA: calculated as end of period Total Financial Assets related to the network divided by number of PFAs eop

<sup>(2)</sup> Calculated as Guided Products eop divided by Total Financial Assets eop

<sup>(3)</sup> C/I ratio net of non recurring items (see page 41 for details) calculated as Operating Costs divided by Revenues net of non recurring items

<sup>(4)</sup> RoE: annualized Net Profit, net of non recurring items (see page 41 for details) divided by the average book shareholders' equity for the period (excluding dividends expected to be distributed and the revaluation reserves)

<sup>(5)</sup> Leverage ratio excluding temporary exemption (it includes exposures towards Central Banks within total leverage ratio exposures).

2019 figures restated: they don't include 2019 dividend payment of 32.0 €/cents