



**MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472

**Consolidated Half-yearly report
as at 30 june 2025**

Monte dei Paschi di Siena Group Consolidated Half-Yearly Report 30 June 2025



Banca Monte dei Paschi di Siena S.p.A.

Share Capital: EUR 7,453,450,788.44 fully paid in

Registered with the Arezzo-Siena Company Register – registration no. and tax code 00884060526

MPS VAT Group - VAT number 01483500524

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Monte dei Paschi di Siena Banking Group, registered with the Register of Banking Groups

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INTERIM REPORT ON OPERATIONS

Results in brief

The following are the main income statement and balance sheet figures for the Montepaschi Group as at 30 June 2025, calculated on the basis of the reclassified financial statement schedules, the construction criteria of which are described in the section “Income statement and balance sheet reclassification principles” of this Interim Report on Operations, and compared with the figures recorded in the same period of the previous year and at the end of the previous year. The Alternative Performance Measures (APMs) identified by the Directors to facilitate the understanding of the economic and financial performance of the Group’s operations are also presented. The APMs, constructed using the reclassified data reported in the chapters Reclassified Income Statement and Reclassified Balance Sheet, are based on accounting data consistent with that used in the Group’s internal *performance management* and *management reporting* systems, and aligned with the most widely used metrics in the banking sector, thereby ensuring the comparability of the figures presented. The APMs are not provided for under the international accounting standards IAS/IFRS and, although calculated on financial statement data, are not subject to full-scope audit or review.

These measures take into account the Guidelines provided by the European Securities and Markets Authority (ESMA) on 5 October 2015, which the Italian stock exchange regulator, Consob, incorporated into its supervisory practices (Communication no. 0092543 of 3 December 2015), applicable from 3 July 2016. With reference to the context resulting from the military conflict between Russia and Ukraine, note that, in line with ESMA guidelines, no new indicators were introduced, nor were changes made to the indicators normally used. It should be noted that the definition and calculation methods are provided for each APM; the figures used can be traced through the information provided in the following tables or in the reclassified financial statement schedules contained in this Interim operational Report. These statements have been prepared on the basis of the financial statement templates set out in Bank of Italy Circular No. 262/2005, as subsequently amended, following the same aggregation and classification criteria applied in the previous year, except for the use of a different technical format for representing certain funding transactions within the “Direct Funding” aggregate, as explained in greater detail in the section “Income statement and balance sheet reclassification principles” of this Interim Operational Report. The analytical details of the reclassifications made with respect to the financial statement templates under Bank of Italy Circular No. 262/2005 are provided in separate reconciliation schedules included among the annexes to this document, in compliance with Consob Communication No. 6064293 of 28 July 2006.

INCOME STATEMENT AND BALANCE SHEET FIGURES			
MONTEPASCHI GROUP			
INCOME STATEMENT FIGURES (EUR mln)	30 06 2025	30 06 2024	Chg.
Net interest income	1,094.1	1,172.2	-6.7%
Net fee and commission income	802.5	735.8	9.1%
Other income from banking business	154.2	116.6	32.2%
Other operating income and expenses	3.2	6.1	-47.5%
Total Revenues	2,054.0	2,030.7	1.1%
Operating expenses	(943.0)	(924.9)	2.0%
Cost of customer credit	(175.1)	(204.0)	-14.2%
Other value adjustments	0.2	(4.7)	n.m.
Net operating income	936.1	897.1	4.3%
Non-operating items	(79.3)	(191.3)	-58.5%
Parent Company’s net profit (loss) for the period	892.4	1,159.2	-23.0%
EARNINGS (LOSS) PER SHARE (EUR)	30 06 2025	30 06 2024	Chg.
Basic earnings (loss) per share (basic EPS)	0.708	0.920	-23.0%
Diluted earnings (loss) per share (diluted EPS)	0.708	0.920	-23.0%
CONSOLIDATED BALANCE SHEET FIGURES (EUR mln)	30 06 2025	31 12 2024	Chg.
Total assets	125,574.1	122,601.7	2.4%
Loans to customers	80,530.0	77,309.6	4.2%
Direct funding	94,508.6	93,971.9	0.6%
Indirect funding	105,895.3	103,237.8	2.6%
of which Assets under management	60,681.3	59,924.0	1.3%
of which Assets under custody	45,214.0	43,313.8	4.4%
Group shareholders’ equity	11,470.3	11,649.0	-1.5%
OPERATING STRUCTURE	30 06 2025	31 12 2024	Chg.
Total headcount - end of period	16,633	16,727	(94)
Number of branches in Italy	1,258	1,312	(54)

ALTERNATIVE PERFORMANCE MEASURES			
MONTEPASCHI GROUP			
CONSOLIDATED PROFITABILITY INDICATORS (%)	30 06 2025	31 12 2024	Chg.
Cost/Income ratio	45.9	46.3	-0.4
ROE (on average equity)	15.4	18.0	-2.6
Return on Assets (RoA) ratio	1.4	1.6	-0.2
ROTE (Return on tangible equity)	15.6	18.3	-2.7
CREDIT QUALITY RATIOS (%)	30 06 2025	31 12 2024	Chg.
Net NPE ratio	2.0	2.4	-0.4
Gross NPL ratio	3.2	3.8	-0.6
Rate of change in non-performing loans	(14.6)	3.0	-17.6
Bad loans to customers / Loans to customers	0.5	0.6	-0.1
Loans to customers measured at amortised cost - Stage 2 / Performing loans to customers measured at amortised cost	11.6	13.4	-1.8
Coverage of non-performing loans to customers	49.3	48.5	0.8
Coverage of bad loans to customers	66.1	66.5	-0.4
Provisioning	0.43	0.53	-0.10
Texas ratio	26.5	27.6	-1.1

Cost/Income ratio: ratio between Operating expenses (Administrative expenses and Net value adjustments to property, plant and equipment and intangible assets) and Total revenues (for the composition of this aggregate, see the reclassified income statement).

Return On Equity (ROE): ratio of the annualised Net profit (loss) for the period to the average between the shareholders' equity (including Profit and Valuation Reserves) at the end of period and the shareholders' equity at the end of the previous year.

Return On Assets (ROA): ratio between the "annualised" net profit for the period and total assets at period-end.

Return On Tangible Equity (ROTE): ratio between the annualised Net Profit (Loss) for the Period and the average between the Tangible Shareholders' Equity¹ at the end of period and that at the end of the previous year.

Net NPE Ratio: ratio between net non-performing exposures to customers and total net exposures to customers, both net of assets under disposal (excluding government securities).

Gross NPE Ratio²: gross impact of non-performing loans (NPLs) calculated as the ratio between Gross non-performing loans to customers and banks³, net of disposal groups, and total Gross loans to customers and banks, net of disposal groups.

Rate of change in non-performing loans to customers: represents the annual rate of change in Gross non-performing loans to customers based on the difference between annual balances.

Coverage of non-performing customer loans and coverage of customer bad loans. The *coverage ratio* for non-performing customer loans and customer bad loans is calculated as the ratio of the related impairment provisions to the corresponding gross exposures.

Provisioning: ratio between the 'annualised' Cost of Customer Credit and the sum of Loans to Customers and the value of securities deriving from sale/securitisation of non-performing loans.

Texas Ratio: ratio between Gross non-performing loans to customers and the sum, in the denominator, of the relative loss provisions and tangible shareholders' equity.

¹ Book value of Group shareholders' equity inclusive of profit (loss) for the period, cleared of goodwill and other intangible assets.

² EBA Risk Dashboard.

³ Loans to banks include current accounts and sight deposits with banks and central banks classified as "Cash" under balance sheet assets.

REGULATORY INDICATORS			
MONTEPASCHI GROUP			
CAPITAL RATIOS (%)	30 06 2025	31 12 2024	Chg.
Common Equity Tier 1 (CET1) ratio - phase in	19.6	18.3	1.3
Common Equity Tier 1 (CET1) ratio - fully loaded	19.6	18.2	1.4
Total Capital ratio - phase in	21.8	20.6	1.2
Total Capital ratio - fully loaded	21.8	20.5	1.3
MREL-TREA (total risk exposure amount)	27.9	28.5	-0.6
MREL-LRE (leverage ratio exposure)	9.9	11.2	-1.3
FINANCIAL LEVERAGE RATIO (%)	30 06 2025	31 12 2024	Chg.
Leverage ratio - transitional definition	6.9	7.2	-0.3
Leverage ratio - fully phased	6.9	7.2	-0.3
LIQUIDITY RATIO (%)	30 06 2025	31 12 2024	Chg.
LCR	168.7	166.5	2.2
NSFR	131.6	134.1	-2.5
Asset encumbrance ratio	25.0	22.6	2.4
Loan to deposit ratio	85.2	82.3	2.9
Spot Counterbalancing capacity (EUR bn)	31.0	33.0	-2.0

In determining capital ratios, the “**phase-in**” (or “transitional”) version represents the application of calculation rules according to the regulatory framework in force at the reporting date, while the “**fully loaded**” version does not incorporate the effects of the prudential filter related to the Other Comprehensive Income Reserve on government securities. In any case, this indicator incorporates the effects of the transitional regime introduced by CRR3 on risk-weighted assets.

Common equity Tier 1 (CET1) ratio: ratio between Common Equity Tier 1 and total Risk-Weighted Assets.

Total Capital ratio: ratio between Own Funds and total Risk-Weighted Assets.

MREL-TREA: calculated as the ratio of the sum of own funds and eligible liabilities to total Risk-Weighted Assets.

MREL-LRE: calculated as the ratio of the sum of own funds and eligible liabilities to the amount of total leverage exposures.

Financial Leverage Ratio: calculated as the ratio between Tier 1 Capital and total exposures, in accordance with the provisions of Article 429 of Regulation 575/2013.

Liquidity Coverage Ratio (LCR): short-term liquidity indicator corresponding to the ratio between the amount of High-Quality Liquid Assets and the total net cash outflows in the subsequent 30 calendar days.

Net Stable Funding Ratio (NSFR): structural 12-month liquidity indicator corresponding to the ratio between the available stable funding amount and the required stable funding amount.

Asset encumbrance ratio: ratio of the total carrying amount of encumbered assets and collateral received reused to total assets and total guarantees received available.

Loan to deposit ratio: ratio between Net Loans to Customers and Direct Funding (due to customers and debt securities issued).

Spot Counterbalancing capacity: sum of items that are certain and free from any commitment that the Group can use to meet its liquidity requirements, consisting of financial and commercial assets eligible for purposes of refinancing operations with the European Central Bank (“ECB”) and assets deposited in the collateralised interbank market (MIC) and not used, to which the haircut, published on a daily basis by the ECB, is prudentially applied.

Executive summary

The changes in the Group's main income statement and balance sheet aggregates as at 30 June 2025 are summarised below.

- **Net Interest Income** amounted to EUR 1,094 mln down 6.7% (EUR -78.1 mln) compared to the same half of 2024. The interest income on customer relationships was affected by the ECB's interest rate cuts, only partly offset by lower interest expense on outstanding securities (EUR +16.2 mln). In detail, these benefited from the lower cost of institutional funding, reflecting maturities and other Funding Plan initiatives, the effects of which were only partially offset by new issues.
- The **Net Fee and Commission Income**, amounting to EUR 803 mln, showed an increase compared to the same period of the previous year (+9.1%, equal to EUR +66.7 mln). A positive performance was recorded in both management/brokerage and advisory activities (+13.8%, equal to EUR +50.2 mln) and in commercial banking (+4.4%, equal to EUR +16.4 mln). In detail, within the first commission-related area, there was an increase in the contribution from portfolio management and distribution activities (EUR +41.8 mln), from securities and currency intermediation and placement (EUR +5.0 mln), from insurance product distribution (EUR +3.3 mln), and from other intermediation/management and advisory commissions (EUR +2.4 mln). In the commercial banking area, positive contributions came from loan-related commissions (EUR +10.1 mln), ATM and credit card service commissions (EUR +4.1 mln), guarantee-related commissions (EUR +3.9 mln), and other net commissions (EUR +2.8 mln); commission income from current accounts (EUR -3.0 mln) and from collection and payment services (EUR -1.5 mln) declined.
- **Other income from banking business**, equal to EUR 154 mln, increased by 32.2% compared to the first half of 2024. The trend mainly reflects the gains achieved in the first half of 2025 through strategies aimed at optimising the financial portfolios.
- **Other operating income/expenses**, amounted to EUR +3 mln, compared to EUR +6 mln in the first half of 2024.
- As a result of the trends described above, **Total revenues** amounted to EUR 2,054 mln, an increase of 1.1% compared to the same period of the previous year.
- The **Operating Expenses** amounted to EUR 943 mln, increasing compared to 30 June 2024 (+2.0%, or EUR 18.1 mln), mainly due to the effects of the renewal of the national collective labour agreement (CCNL) on personnel expenses, partially offset by the continued optimisation of Other Administrative Expenses (-3.9% compared to the first half of 2024). Specifically, within the aggregate, **Personnel Expenses**, which totalled EUR 640 mln, rose compared to the same period of the previous year (+5.3%), mainly due to costs related to the second and third salary increases under the renewed banking sector CCNL (effective from 1 September 2024 and 1 June 2025, respectively), and to higher accruals for variable remuneration, in line with the 2024 -2028 Strategic Plan. The **Other Administrative Expenses**, totalling EUR 223 mln, fell compared to 30 June 2024 (-3.9%), also due to the full implementation of a strict cost governance process and the focus on cost optimisation measures. The **Net value adjustments to property plant and equipment and intangible assets** amounted to EUR 79 mln, down from those recorded as at 30 June 2024 (-6.2%).
- The **Cost of Customer Credit** stood at EUR 175 mln, down slightly compared to the figure of EUR 204 mln recorded in the corresponding period of 2024. The **Provisioning Rate** came to 43 bps (53 bps as at 31 December 2024).
- **Net Operating Income** as at 30 June 2025 stood at EUR 936 mln, an increase from the figure of EUR 897 mln as at 30 June 2024.
- In addition to the changes in these economic aggregates, there were **non-operating components** amounting to EUR -79 mln as at 30 June 2025 (EUR -191 mln in the corresponding period of 2024). Non-operating components include: **Net Provisions for Risks and Charges**, equal to EUR -26 mln (EUR -15 mln as at 30 June 2024); **Other gains/losses on Equity investments** showed a nil result as at 30 June 2025 (EUR -4 mln as at 30 June 2024); **Restructuring costs/One-off costs** amounted to EUR -15 mln, (EUR -41 mln as at 30 June 2024); **Cost of extraordinary operations**, equal to EUR -7 mln; **risks and charges associated with the SRF (Single Resolution Fund), DGS (Deposit Guarantee Systems) and similar schemes**, which were zero in the current half-year (EUR -75

mln at 30 June 2024); The **DTA fee** amounted to EUR -29 mln (EUR -31 mln as at 30 June 2024); **Net gains (losses) on property, plant and equipment and intangible assets measured at fair value** for EUR -3 mln (EUR -19 mln as at 30 December 2024); **Gains/losses on disposal of investments**, with a zero balance at 30 June 2025 (EUR -6 mln as at 30 June 2024).

- As a result of these trends, combined with the positive impact of **income taxes of EUR 36 mln** (compared to a positive contribution of EUR 453 mln as at 30 June 2024), the Group posted a **profit for the period attributable to the Parent Company of EUR 892 mln**, compared to a profit of EUR 1,159 mln in the first half of 2024.
- As at 30 June 2025, the **Group's total Funding** volumes amounted to **EUR 200.4 bn**, up EUR 2.2 bn from 31 March 2025, driven by growth in Indirect Funding (EUR +2.3 bn), while Direct Funding remained broadly stable. In particular, with regard to Direct Funding, the growth in current accounts (EUR +2.0 bn) and bonds (EUR +0.6 bn) was offset by a decline in repurchase agreements (EUR -2.5 bn) and, to a lesser extent, in other forms of direct funding (EUR -0.2 bn), while time deposits remained broadly in line with 31 March 2025. Indirect Funding rose by EUR 2.3 bn compared to 31 March 2025, both in terms of assets under custody (EUR +1.2 bn) and assets under management (EUR +1.1 bn); The positive trend was driven by positive net inflows and market effect. Total funding also increased compared to 31 December 2024 (EUR +3.2 bn), driven by growth in both Indirect Funding (EUR +2.7 bn) and, to a lesser extent, Direct Funding (EUR +0.5 bn). The growth in Direct Funding reflects an increase in current accounts (EUR +0.6 bn) and term deposits (EUR +0.4 bn), while repurchase agreements (EUR -0.2 bn), bonds (EUR -0.1 bn), and other forms of funding (EUR -0.1 bn) declined slightly. The trend in Indirect Funding compared to year-end 2024 was linked to growth in both assets under custody (EUR +1.9 bn) and managed assets (EUR +0.8 bn). Both components benefited from positive net inflows; the market effect had also a positive impact on the assets under custody component.
- **Loans to Customers** stood at **EUR 80.5 bn** at 30 June, up compared to 31 March 2025 (EUR +1.9 bn), driven by mortgages (EUR +1.1 bn), other loans (EUR +0.6 bn) and, to a lesser extent, repurchase agreements (EUR +0.2 bn); current accounts and non-performing exposures remained broadly stable. Compared to 31 December 2024, the aggregate also rose (EUR +3.2 bn), mainly due to the growth in mortgages (EUR +2.5 bn). Other loans (EUR +0.5 bn), current accounts (EUR +0.2 bn), and repurchase agreements (EUR +0.2 bn) also increased, while non-performing exposures declined (EUR -0.1 bn).
- As at 30 June 2025, the **coverage ratio of non-performing loans to customers** stood at **49.3%**, broadly in line with the figure recorded at 31 March 2025 (49.5%). All components showed marginal changes: the coverage ratio for bad loans increased from 65.9% to 66.1%, that for unlikely-to-pay exposures decreased from 40.0% to 39.5%, and that for past due non-performing exposures remain stable to 28.7%. The coverage ratio of non-performing loans to customers is higher than at 31 December 2024, when it was 48.5%. At individual administrative status level, the percentage coverage of Unlikely to pay exposures (which rose from 38.8% to 39.5%) and Non-performing past-due loans (which rose from 26.3% to 28.7%) increased; on the other hand, the percentage of coverage of bad loans was slightly decreasing (coverage of which goes from 66.5% to 66.1%).

As for capital ratios, at 30 June 2025, the **Common Equity Tier 1 Ratio** stood at **19.6%** (compared to 19.7% at 31 March 2025 and 18.3% at 31 December 2024), and the **Total Capital Ratio** stood at **21.8%** (compared to 22.1% as at 31 March 2025 and 20.6% as at 31 December 2024), deducting from capital the dividends accrued during the first quarter, assuming a *payout ratio* of 75% of pre-tax profit.

Shareholders

As at 30 June 2025, the Parent Company Banca Monte dei Paschi di Siena S.p.A. share capital amounted to EUR 7,453,450,788.44, broken down into 1,259,689,706 ordinary shares.

According to the disclosures received pursuant to current regulations on significant shareholdings (Article 120 of the Consolidated Law on Finance – TUF), as well as the information available (*) and the data published on the institutional website of CONSOB, the parties who, as at 30 June 2025, directly and/or indirectly held ordinary shares representing more than 3% of the share capital of the Issuer BMPS, and who are not exempt under Article 119-bis of the Issuers' Regulation, are as follows:

Major BMPS shareholders as at 30 June 2025

Declarant	% of shares held on the ordinary share capital
Ministry of Economy and Finance	11.731%
Francesco Gaetano Caltagirone Group (*)(**)	9.963%
Delfin Sàrl (*)	9.866%
Banco BPM S.p.A. (***)	8.996%

(*) Notices submitted to the issuer BMPS by authorised depositary intermediaries for the purpose of exercising voting rights at the ordinary and extraordinary shareholders' meeting of BMPS held on 17 April 2025.

(**) Holdings held through: Ausonia S.r.l., Esperia 15 S.r.l., Istituto Finanziario 2012 S.p.A., Gamma S.r.l., Azufin S.p.A., VM 2006 S.r.l., Mantegna 87 S.r.l., Calt 2004 S.r.l., Finanziaria Italia 2005 S.p.A., Immako S.r.l., Romana Partecipazioni 2000 S.r.l., M.K. 87 S.p.A., Viapar S.r.l., Finced S.r.l., Pantheon 2000 S.p.A..

(***) Holdings also held through Anima Holding S.p.A. (3.992%).

Following the close of the second quarter of 2025, and pursuant to Article 120 of the Consolidated Law on Finance (TUF), it was disclosed that shareholder G.G.G. S.p.A. increased its stake in the share capital of Banca Monte dei Paschi di Siena S.p.A. to 3.001% as a result of a transaction carried out on 16 July 2025.

Information on the BMPS share

The BMPS share closed the second quarter of 2025 at EUR 7.22, with period growth of +10.7%, while the FTSE All Share Banks index showed an increase of +24.8% and the FTSE MIB rose by +13.6%. Over the course of the quarter, the average daily volume of MPS shares traded stood at approximately 18.1 mln.

SHARE PRICE SUMMARY STATISTICS (from 31/03/2025 to 30/06/2025)	
Average	6.78
Minimum	5.27
Maximum	7.49

Rating

Moody's:

During the second quarter, on **27 May 2025**, the rating agency Moody's upgraded the Bank's ratings, raising the long-term rating on senior unsecured debt to "Ba1" (from "Ba2") and the long-term deposit rating to "Baa2" (from "Baa3"). The *Baseline Credit Assessment* ("BCA") was also upgraded to "ba1" (from "ba2"). The outlook was confirmed as positive. The rating upgrade reflects the Bank's improved creditworthiness due to improved recurring profitability and asset quality, and capital strength.

Rating as at 30 June 2025:

Rating agency	Last revision date	Short term-Debt	Long-term Debt (Senior Unsecured)	Long-term Deposits	Outlook (Senior Unsecured/ Deposits)	Baseline Credit Assessment	Subordinated Debt
Moody's	27/05/25	(P) NP	Ba1	Baa2	Positive	Ba1	Ba2

Fitch Ratings:

During the second quarter of 2025, the rating agency did not make any upgrades to the Bank's ratings.

Rating as at 30 June 2025:

Rating agency	Last revision date	Short-term Issuer Default Rating	Long-term Issuer Default Rating	Outlook (Long-term IDR)	Long-term Deposits	Viability rating	Subordinated Debt
Fitch	25/10/24	B	BB+	Positive	BBB-	bb+	BB-

Subsequently, at the beginning of the third quarter of 2025, on **4 July 2025**, Fitch upgraded the Bank's ratings to *Investment Grade* by raising the *Long-term Issuer Default Rating* from "BB+" to "BBB-" and the *Viability Rating* from "bb+" to "bbb-". The outlook was changed to stable from positive.

The upgrade recognises the structural improvements achieved in the revitalisation of the business model and franchise, within a solid risk profile, with growth in both the traditional commercial banking business and the distribution of Wealth Management and insurance products, resulting in an improved revenue mix that has contributed to the structural improvement of profitability, bringing it to sustainable levels in the medium term. The decision also reflects the high capital levels, well above regulatory requirements, and the adequacy of the funding and liquidity profile due to stable deposits and access to the institutional market.

Morningstar DBRS:

During the second quarter, on **3 April 2025**, Morningstar rating agency DBRS upgraded the Bank's ratings to investment grade to "BBB (low)" for the Long-Term Issuer rating and the Long-Term Senior Debt rating. The Intrinsic Assessment rating is now at "BBB (low)". The outlook was confirmed as positive.

The decision to upgrade the ratings takes into account the results achieved by the Bank in all areas, including the strengthening of its capacity to generate capital and its solid capital buffers, strengths which, according to the agency, guarantee the Bank the flexibility both to navigate the various phases of the economic cycle and to be able to play an active role in the consolidation process underway in the Italian banking system.

Rating as at 30 June 2025:

Rating agency	Last revision date	Short-term Issuer Rating	Long-term Issuer Rating	Long-term Deposits	Subordinated Debt	Outlook	Intrinsic Assessment
Morningstar DBRS	03/04/25	R-2 (middle)	BBB (low)	BBB	BB	Positive	BBB (low)

Reference context

The international scenario

The global cycle continues to be affected by high uncertainty regarding international tariff policies and the possible outcome of negotiations between the US and major trading partners, as well as instability related to ongoing conflicts. The phenomenon of front-loading purchases ahead of the introduction of tariffs, which had driven an acceleration in global trade in the first quarter of 2025, is now partially unwinding. Oil prices rose, particularly in June, following the outbreak of the conflict between Israel and Iran, before easing again once a truce was reached. The dollar continued to depreciate against other currencies, and investors showed less willingness to hold certain dollar-denominated assets compared to previous episodes of financial tension. Growth prospects for the main economies have been progressively revised downwards since the beginning of the year.

In **United States** after the slight contraction of the economy recorded in the first quarter (-0.5% qoq) and led by the strong increase in imports, which made the net contribution of foreign demand negative, GDP rebounded sharply in the second quarter, growing by 3% qoq. This result reflects a domestic dynamics more stronger than expected, suggesting that in the short period the duties introduced are not significantly hampering the domestic economy's growth. The impact of the duties on prices was greater, with overall inflation rising as expected to 2.7% y/y in June from 2.4% in May; the core⁴ grew at 2.9% y/y. The labour market showed resilience. The preliminary agreements on tariffs reached with the UK, China and Vietnam have led to a partial and temporary suspension of the announced tariff increases, although the effective rates will remain well above end-2024 levels. In this context, the recent agreement between the US and the European Union on the introduction of a 15% duties on export versus US, while representing an increase over the previous system, provide a picture of less uncertainty.

In **the Euro Area**, following stronger-than-expected growth in the first quarter (+0.6% q/q), driven by the early export of goods to the US and a surge in Irish GDP⁵, output expanded at a slower pace in the second quarter recording a modest increase by 0.1% q/q, mainly due to the rise in France and Spain, while Italy and Germany reported a quarterly decline. Uncertainty over tariffs increased caution among households and businesses, holding back domestic demand. Activity benefited from the positive contribution of services but was affected by a decline in value added in manufacturing. Exports responded to the partial suspension of US customs duties and to developments in trade negotiations that only at the end of July led to an agreement on a single 15% tariff on the majority of European products (to which the automotive sector should also align) and to the definition of duties exemptions on some so-called "strategic" products. Although inflation rose slightly to 2% y/y in June, it remained under control; core inflation remained broadly stable. In the labour market, unemployment remain to record low levels (at 6.2% in June).

Among **emerging markets**, in China, GDP grew faster than expected in the second quarter (+5.2% y/y, compared with +5.4% y/y in the first quarter). Household consumption increased, supported by spring holidays and the early start to summer sales. Service sector output remained strong; industrial production also increased despite trade restrictions; exports to the US contracted in the spring in favour of exports to major third countries, but picked up again in June following the tariff truce with the United States. Investment was held back by continued difficulties in the real estate sector. With prices stagnant around 0%, the Beijing government continued to implement measures to support domestic demand. India returned to growth rates above 7% y/y in early 2025, with the economy potentially benefiting from new inflows of foreign investment amid its progressive decoupling from China. Russia experienced a marked slowdown in GDP.

Italy: economic context

In **Italy**, in the second quarter of 2025, the Italian economy contracted for the first time in two years, at the cyclical level, marking a decline of -0.1% q/q compared with the first quarter (+0.3% q/q), which, as in other countries, had benefited from increased exports to the United States in anticipation of the introduction of tariffs. Industrial activity decelerated relative to the start of the year, due to uncertainty stemming from ongoing geopolitical and trade instability. Growth in household consumption remained subdued, while investment weakened. Service sector activity showed signs of recovery, mainly linked to international tourism; construction continued to benefit from the implementation of projects under the NRRP (National Recovery and Resilience Plan). Employment levels increased; contractual wages rose but

⁴ Index adjusted for the price components of food and energy goods (typically more volatile).

⁵ This progress was supported by the operations of the many multinationals headquartered in the country

showed signs of moderation in the spring months. Inflation remained below 2% on average (1.7% y/y in June); core inflation was not far off this level. The property market continued to strengthen.

Government activity in the second quarter focused on streamlining the implementation procedures of certain adopted measures, simplification efforts, and the continuation of support initiatives for households and businesses.

New or amended measures included: the introduction of energy tariff relief (Law no. 60/2025 converting Decree-Law 19/2025); the extension and modification of deadlines for the subscription of catastrophe insurance policies by SMEs (Law no. 78/2025 converting Decree-Law 39/2025); the option to adhere to the biennial preventive tax settlement scheme (Legislative Decree 81/2025); the calculation of 2025 IRPEF advance payments (Law no. 86/2025 converting Decree-Law 55/2025).

On 11 June 2025, final approval was given to the bill entitled Delegation to the Government for the transposition of European directives and the implementation of other acts of the European Union - 2024 European Delegation Law, which introduces, among other things, specific guiding principles and criteria for delegation, and regulatory adaptation/implementation provisions on topics such as: anti-money laundering, credit risk, capital markets, banking supervision, consumer credit, and financial instruments and services.

With regard to the so-called Omnibus I package, concerning sustainability and the simplification of various ESG compliance requirements for businesses, the proposals contained in the package were considered compliant by the Senate, which adopted a favourable resolution including a series of observations and recommendations, also relating to the credit sector. Further packages reviewed included Omnibus II (comprising a single regulation proposal aimed at amending current EU legislation on investment programmes), Omnibus III (aimed at simplifying the EU legal framework for the Common Agricultural Policy), and Omnibus IV (intended to generate savings of around EUR 400 mln per year for EU businesses). In June, the Omnibus Defence Package was proposed, introducing measures to facilitate investment in defence capabilities, provide industry with greater predictability and facilitate access to EU funding.

In the Spring Package of the European Semester, published in June, the European Commission gave a positive assessment of Italy's progress in reducing its excessive deficit, finding the steps taken to be in line with the agreed objectives. Among the specific recommendations issued to Italy were the following: i) compliance with the ceiling on net expenditure growth, as set out in the Council of the EU's January recommendations; ii) acceleration of the NRRP implementation; iii) increased defence spending.

In June, the Council of the EU approved Italy's request for a revision of the NRRP (the fifth since the launch of the Plan), with changes that did not alter its overall budget and focused mainly on investment in the transport sector and adjustments to measures supporting the ecological transition. In July, the European Commission issued a favourable assessment for the disbursement of the seventh NRRP instalment, requested last December; at the same time, the Government submitted the request for payment of the eighth instalment.

Financial markets and monetary policy

The announcement of additional tariffs by the United States on its trading partners at the beginning of April (i.e. Liberation Day) triggered a sharp correction in equity markets; the swift suspension of those tariff measures and the start of bilateral negotiations with the US subsequently led to a strong rebound from the lows, with markets mostly closing the half-year on a positive note. From the start of the year to 30 June 2025, European indices outperformed: the FTSE MIB rose by over 16% and the Euro Stoxx by more than 8%; the S&P 500 also performed well (+5%), while the Nikkei posted a marginal gain (just over +1%); China's *Shanghai Shenzhen* CSI 300 ended the half-year virtually flat. However, since last June, with the expiry of the tariff suspension approaching, the increase in US tariffs on steel and aluminium (and later copper), the escalation of the conflict in the Middle East, and concerns over the sustainability of US debt, markets have shown increased volatility.

In the second quarter of 2025, the yield on the 10-year Treasury rose from the lows of early April, reflecting uncertainty over monetary policy expectations and the potential deterioration of US public debt, confirmed by Moody's downgrade in May (from AAA to AA+). After rising in the first quarter, the Bund yield instead declined, supported by a tendency among investors to shift capital to the Euro Area, seen as a safer economy (i.e. flight to quality). On 30 June 2025, the US 10-year rate stood at 4.23%, the German yield at 2.61% and the Italian yield at 3.48%, down 34, up 24 and up 5 basis points respectively compared to the end of 2024. The BTP -Bund spread continued its narrowing trend, standing at approximately 87 basis points at the end of the half-year, down by 29 basis points compared to the end of 2024; this decline reflected the improved soundness of Italy's public finances. In June, Moody's revised the outlook on Italian sovereign debt from stable to positive, confirming its Baa3 rating.

At its July meeting, the Federal Reserve left the Fed Funds target rate unchanged, maintaining the range at 4.25%-4.50% and confirming a cautious stance dependent on the macroeconomic outlook, despite calls for action from the government. In the updated projections of FOMC members⁶, the rate-cutting path is expected to be more gradual than projected in March, owing to an upward revision of the domestic inflation scenario – even in the face of weaker expected growth. The most FOMC members forecast a total reduction in benchmark interest rates of 50 basis points from current levels in 2025, with cuts concentrated in the latter part of the year.

In June, the ECB further lowered its key interest rates by 25 basis points, setting the main refinancing operations rate at 2.15%, the deposit facility rate at 2.00%, and the marginal lending facility rate at 2.40%. These levels were confirmed at the 24 July meeting, during which the decision to keep the key rates unchanged was adopted, in line with market expectations. The ECB's balance sheet normalisation process continued: The portfolios of the APP (*Asset Purchase Programme*) and the PEPP (*Pandemic Emergency Purchase Programme*) are shrinking at a measured and predictable pace, as the Eurosystem no longer reinvests the repaid principal on maturing securities.

⁶ The Fed's Federal Open Market Committee.

Significant events in the first half of 2025

Voluntary public exchange offer on the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni promoted by Banca Monte dei Paschi di Siena S.p.A.

On 23 January 2025, the Board of Directors of Banca MPS approved the launch of a Voluntary Public Exchange Offer (the "Offer") on all the ordinary shares of Mediobanca - Banca di Credito Finanziario Società per Azioni ("Mediobanca"). The Offer has been authorised by the competent Authorities and remains subject to the conditions set out in the market announcement of 24 January 2025 and further specified in the Offer Document.

In detail, it should be noted that, on 1 April 2025, the European Central Bank authorised the recognition as Common Equity Tier 1 capital of the new shares issued to service the Offer and the amendments to the by-laws concerning the delegation to the Board of Directors for the aforementioned capital increase, subject to the approval of such amendments to the by-laws by the BMPS Shareholders' Meeting. Furthermore, the Presidency of the Council of Ministers has resolved, in acceptance of the proposal of the Ministry of Economy and Finance, not to exercise the special powers pursuant to Law Decree no. 21 of 15 March 2012, converted into Law No. 56 of 11 May 2012 (the so-called *golden power*).

On 2 April 2025, the Parent Company also filed with Consob the Information Document, prepared pursuant to Art. 70 of the Issuers Regulation.

On 20 May 2025, prior authorisation was received from IVASS (the Italian Insurance Supervisory Authority) for the indirect acquisition, through Mediobanca, of a qualifying holding in Assicurazioni Generali S.p.A.

On 25 June 2025, the European Central Bank granted authorisation for the direct acquisition of a controlling interest in Mediobanca and an indirect interest in Mediobanca Premier S.p.A. and Compass Banca S.p.A.

On 26 June 2025, the Board of Directors of Banca MPS resolved – pursuant to the authority granted by the Extraordinary Shareholders' Meeting of 17 April 2025 – to carry out a paid capital increase of a total amount of EUR 13,194,910,000 plus share premium, through the issuance of 2,230,000,000 ordinary shares, in one or more tranches and in a divisible manner, excluding pre-emptive rights, in connection with the Offer.

Following the end of the half-year, on 2 July 2025, Consob approved the Offer Document: for each Mediobanca share tendered in the Offer, MPS will grant a consideration consisting of 2.533 newly issued ordinary shares, with no par value, enjoying regular dividend rights and having the same features as the ordinary shares of MPS already in circulation. The acceptance period will begin on 14 July 2025 and end on 8 September 2025.

Also on 2 July 2025, unconditional clearance for the acquisition of control of Mediobanca was granted by the Italian Antitrust Authority (AGCM).

For more information, please refer to the dedicated section available on the Parent Company's website.

Furthermore, the following significant events occurred during the half-year:

On **3 January 2025**, Banca MPS announced the exercise, on 22 January 2025, of the option for full early repayment of the Tier 2 subordinated bond called "EUR 400,000,000 8.000 per cent. Reset Callable Subordinated Notes". Subsequently, on **10 February 2025**, it announced the exercise, on 2 March 2025, of the option for full early repayment of the senior bond denominated "EUR 750,000,000 Fixed to Floating Rate Callable Senior Notes due 2 March 2026". Both actions are carried out in accordance with the funding plan and have obtained the authorisations from the European Central Bank.

On **28 February 2025**, Standard Ethics raised the Corporate Standard Ethics Rating (SER) of Banca MPS to "EE+" from the previous 'EE'. The rating agency confirmed that the upgrade to "EE+" (Very Strong) leads to the expected long-term rating and the outlook remains positive.

The Ordinary and Extraordinary Shareholders' Meeting was held on **17 April 2025**, during which the approval of the 2024 financial statements, the payment of the dividend, the report on the remuneration policy, the 2025 incentive system and the integration of the Board of Directors with the appointment as Directors of the directors already co-opted on 27 December 2024 were resolved. The Shareholders' Meeting also resolved, with the favourable vote of 86% of the capital

present, to grant the Board of Directors the delegated power to increase the capital to service the voluntary public exchange offer by Banca Monte dei Paschi di Siena S.p.A. for all the ordinary shares of Mediobanca. Furthermore, amendments to Articles 14 and 15 of the By-Laws were approved, concerning the procedures for holding meetings and for presenting lists and managing the co-option of directors during their term.

On **21 May 2025**, Banca MPS successfully completed the placement of a new Senior Preferred Unsecured fixed-rate bond issue, with a 6-year maturity (due 2031) and an early redemption option after 5 years, for a total amount of EUR 500 mln.

On the same date (19 May 2025 ex-dividend date and 20 May 2025 record date) a total amount of EUR 1,083,333,147.16 was paid in relation to the 2024 dividends, equal to a dividend of EUR 0.86 for each of the 1,259,689,706 ordinary shares without par value outstanding at the record date.

On **11 June 2025**, Banca MPS successfully completed the placement of a Conditional Pass Through European Covered Bond, maturing on 18 January 2031 and intended for institutional investors, for a total amount of EUR 750 mln and a coupon set at 2.750% per annum.

On **25 June 2025**, Banca MPS successfully completed the placement of a Tier 2 subordinated bond issue maturing in October 2035, with an early redemption option in October 2030, for a total amount of EUR 500 mln.

Significant events after the end of the first half of 2025

On **14 and 15 July 2025**, two national agreements were signed: the Coordinated Text Agreement of the 2023 National Collective Labour Agreement (CCNL) for middle managers and professional categories, and the Renewal Agreement of the CCNL for executive personnel. The first agreement aims to align the provisions of the Renewal Agreement of 23 November 2023 with those of the previous collective contract. The second agreement renews the national contract for executives, updating both the minimum economic terms and the regulatory framework.

On **25 July 2025**, two company agreements were signed: the 2025 Company Bonus Agreement, which may be paid into an 'Employee Welfare Account' and is closely linked to achieving the Group's sustainable profitability, liquidity and capital targets; and the Renewal of the Second-Level Bargaining Agreement, which updates internal agreements, particularly regarding professional development, employee welfare and geographical mobility. With regard to professional development specifically, the agreement defines career paths within the Network and revises job classification levels in line with organisational changes.

On **1 August 2025**, the European Banking Authority (EBA) and the European Central Bank (ECB) announced the results of the 2025 EU-wide stress test in which Mps Bank also participated.

The 2025 EU-wide stress test was conducted by the EBA, in cooperation with the ECB and the European Systemic Risk Board (ESRB). The adverse scenario in the stress test was defined by the ECB and the ESRB and covers a three-year period (2025–2027). The stress test based on a static balance sheet assumption based on restated data as at the end of December 2024, in accordance with CRR3 requirements. Consequently, it does not take into account any future business strategies or managerial actions.

The Fully Loaded Common Equity Tier 1 (CET1) ratio for 2027 (identified as the year with the greatest depletion over the three-year period) resulted as follows:

- Baseline scenario: 22.93%, +353 bps compared to the figure of 19.40% as of 31 December 2024 (restated under CRR3)
- Adverse scenario: 16.83%, -257 bps compared to the figure of 19.40% as of 31 December 2024 (restated under CRR3). Both results largely comply with the minimum regulatory requirements in both the Baseline and Adverse scenarios.

The results, to date the best achieved by the Group in a stress testing exercise, confirm the Montepaschi Group's strong capital position and its ability to generate capital in a sustainable manner, as demonstrated by the solid results under both the baseline and, ultimately, under the adverse scenario, despite the various macroeconomic shocks simulated in the exercise.

2024-2028 Group Business Plan

On 5 August 2024, the Board of Directors of the Parent Company approved a new Business Plan for the period 2024-2028, “A Clear and Simple Commercial Bank Revolving Around Customers, Combining Technology With Human Touch”, which targets a Bank capable of successfully satisfying evolving customer demands through a process of corporate and technological innovation supported by a broad investment plan, fully leveraging talent, further improving business sustainability, strengthening financial statements and focusing on the distribution and creation of value for all stakeholders. For further details, please refer to the Annual Financial Report as at 31 December 2024.

In terms of financial targets, the result for the first half of 2025 exceeded the objectives set out in the Plan, thanks in particular to higher revenues (better than expected on all components) and lower operating costs, within a context of tight cost control and ongoing focus on cost optimisation actions. On the credit front, the objectives of both ordinary *destocking* and restoration to *performing* status, in addition to the contributions from disposal operations (finalised in the latter part of the previous year), allowed the Gross NPE ratio to be better than the Plan levels with a cost level slightly below Plan expectations (despite the uncertain macroeconomic context due also to geopolitical tensions). As a result of the economic trends described above, the profitability indicators (*Cost income*, ROE, ROTE) were more than in line with the Plan forecast. The Group also achieved a CET1 ratio of 19.6% as at 30 June 2025, above the Plan and among the best levels in the banking system.

To implement the Plan’s actions, strategic projects have been initiated with a rigorous governance process aimed at monitoring activities and results.

Funding strategy

The 2025-2027 Group Liquidity and Funding Strategy defines the guidelines for management of the Group’s liquidity and funding over a long-term horizon, to support the development and objectives outlined in the Plan. For each of the forward-looking maturities, starting from the business plan and the developments expected from the imbalance created, it outlines the methods for obtaining cash and the counterbalancing capacity necessary for the processes to function in the short term, at the same time guaranteeing structural balance in the funding profile and medium/long-term business development. The maturity profile over the 2025-2027 time horizon is mainly composed of ECB auctions which, as at 30 June 2025, remained stable compared to March 2025, standing at EUR 8 bn (EUR 8.5 bn as at 31 December 2024; EUR 13 bn as at 31 December 2023), consisting of LTRO auctions amounting to EUR 4 bn and MRO auctions amounting to EUR 4 bn. Over the 2025-2027 period, other maturities include institutional bonds totalling approximately EUR 5 bn to be repaid, broken down as follows:

- EUR 1.8 bn in 2025 (EUR 1 bn in covered bonds and EUR 0.8 bn in senior unsecured bonds);
- EUR 2.7 bn in 2026 (EUR 1.1 bn in covered bonds and EUR 1.6 bn in senior unsecured bonds);
- EUR 0.5bn in 2027(*senior unsecured*).

In January 2025, the call of the Tier 2 subordinated bond with a nominal value of EUR 0.4 bn issued in January 2020, with original maturity 2030, was exercised; in March 2025, the call of the senior unsecured bond with a nominal value of EUR 0.75 bn issued in February 2023, with original maturity in 2026, was also exercised. In April, a senior unsecured bond totalling EUR 0.75 bn reached maturity. During the year, the call option may also be exercised on a further Tier 2 subordinated bond issued in September 2020, with an original maturity date also set for 2030, and a nominal value of EUR 0.3 bn. In 2026, the call of a senior unsecured bond of EUR 0.5 bn (whose final due date is in 2027) may be exercised. The exercise of the aforementioned calls will take place based on cost effectiveness in terms of spread/replacement rate, the liquidity/capital situation and will in any case be subject to prior authorisation from the competent supervisory authorities (SRB/ECB).

Against the planned maturities, the Group’s funding strategy aims to maintain liquidity indicators at adequate levels, broadly above regulatory limits, as well as guarantee - as concerns public bond issue plans in particular - the satisfaction of MREL requirements.

In this context, during the first half of 2025, approximately half of senior and covered bond issues planned for the year were completed, specifically:

- a senior bond issue of EUR 0.5 bn in May, maturing in 2031;

- a covered bond issue of EUR 0.75 bn in June, maturing in 2031.

In addition, at the end of June, with settlement date 2 July, a subordinated bond issue was finalised for an amount of EUR 0.5 bn, with maturity scheduled for 2035. The Group's 2025-2027 Liquidity and Funding Strategy will in any case require year-by-year planning, which will outline in greater detail the specific actions to be undertaken during each reference year and the operational authorisations required for their implementation.

Commitments related to the State Aid received in 2017

Information on the Commitments revised by the European Commission and made public on 3 October 2022 can be found in the Annual Financial Report as at 31 December 2024 to which reference is made.

As of 30 June 2025, the Parent Company is awaiting the formal closure of commitments from the European Commission, following the release of the Monitoring Trustee's report based on the financial data for the last quarter of 2024. The Parent Company was substantially in compliance with its commitments.

CONDENSED CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet

Assets items	30 06 2025	31 12 2024
10. Cash and cash equivalents	11,794.3	13,249.4
20. Financial assets measured at fair value through profit and loss	8,698.7	6,532.8
a) financial assets held for trading	8,262.1	6,076.6
c) other financial assets mandatorily measured at fair value	436.6	456.2
30. Financial assets measured at fair value through other comprehensive income	1,967.5	2,337.4
40. Financial assets measured at amortised cost:	93,140.0	90,525.9
a) loans to banks	3,141.8	3,365.8
b) loans to customers	89,998.2	87,160.1
50. Hedging derivatives	484.6	94.2
60. Change in value of macro-hedged financial assets (+/-)	(677.1)	(411.5)
70. Equity investments	673.6	672.3
90. Property, plant and equipment	2,073.5	2,109.1
100. Intangible assets	131.4	156.1
<i>- of which goodwill</i>	7.9	7.9
110. Tax assets	2,659.7	2,536.9
a) current	93.2	104.3
b) deferred	2,566.5	2,432.6
120. Non-current assets held for sale and disposal groups	1,176.0	1,128.7
130. Other assets	3,451.9	3,670.4
Total assets	125,574.1	122,601.7

continues: Consolidated balance sheet

Liabilities and shareholders' equity items	30 06 2025	31 12 2024
10. Financial liabilities measured at amortised cost	103,742.5	102,751.4
a) Due to banks	10,258.4	9,811.3
b) due to customers	83,328.4	82,632.2
c) debt securities issued	10,155.7	10,307.9
20. Financial liabilities held for trading	3,345.3	2,605.7
30. Financial liabilities measured at fair value	124.6	119.7
40. Hedging derivatives	271.1	358.4
50. Change in value of macro-hedged financial liabilities (+/-)	-	(0.7)
60. Tax liabilities	13.4	5.6
a) current	9.0	1.3
b) deferred	4.4	4.3
70. Liabilities associated with disposal groups	978.7	976.7
80. Other liabilities	4,658.7	3,132.0
90. Provision for employee severance pay	69.3	69.7
100. Provisions for risks and charges:	900.0	933.9
a) commitments and guarantees given	154.3	149.6
b) pensions and similar commitments	3.2	3.3
c) other provisions for risks and charges	742.5	781.0
120. Valuation reserves	66.9	60.4
150. Reserves	3,057.5	2,184.3
170. Share Capital	7,453.5	7,453.5
190. Non-controlling interests (+/-)	0.2	0.3
200. Profit (loss) for the period (+/-)	892.4	1,950.8
Total liabilities and shareholders' equity	125,574.1	122,601.7

Consolidated income statement

Items	30 06 2025	30 06 2024
10. Interest income and similar revenues	1,971.1	2,427.2
<i>of which interest income calculated applying the effective interest rate method</i>	<i>1,655.0</i>	<i>1,989.9</i>
20. Interest expense and similar charges	(889.3)	(1,273.2)
30. Net interest income	1,081.8	1,154.0
40. Fee and commission income	919.0	842.8
50. Fee and commission expense	(120.6)	(112.5)
60. Net fee and commission income	798.4	730.3
70. Dividends and similar income	12.9	17.0
80. Net profit (loss) from trading	66.2	78.1
90. Net profit (loss) from hedging	(0.5)	1.6
100. Gains/(losses) on disposal/repurchase of:	37.8	(10.9)
a) financial assets measured at amortised cost	43.2	(10.4)
b) Financial assets measured at fair value through other comprehensive income	(5.2)	0.1
c) financial liabilities	(0.2)	(0.6)
110. Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss	(10.0)	(6.3)
a) financial assets and liabilities designated at fair value	0.8	4.1
b) other financial assets mandatorily measured at fair value	(10.8)	(10.4)
120. Net interest and other banking income	1,986.6	1,963.8
130. Net impairment (losses)/reversals on	(150.9)	(217.8)
a) financial assets measured at amortised cost	(150.2)	(218.3)
b) financial assets measured at fair value through other comprehensive income	(0.7)	0.5
140. Modification gains/(losses)	(4.6)	(4.9)
150. Net income from banking business	1,831.1	1,741.1
180. Net income from banking and insurance business	1,831.1	1,741.1
190. Administrative expenses:	(1,017.8)	(1,048.6)
a) personnel expenses	(646.8)	(613.3)
b) other administrative expenses	(371.0)	(435.3)
200. Net provision for risks and charges:	(30.4)	11.0
a) commitments and guarantees issued	(4.6)	24.5
b) other net provisions	(25.8)	(13.5)
210. Net adjustments to/recoveries on property, plant and equipment	(45.7)	(50.4)
220. Net adjustments to/recoveries on intangible assets	(32.9)	(33.3)
230. Other operating expenses/income	122.9	108.3
240. Operating expenses	(1,003.9)	(1,013.0)
250. Gains (losses) on investments	32.7	23.8
260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(2.7)	(19.3)
280. Gains (losses) on disposal of investments	-	(6.1)
290. Profit (loss) before tax from continuing operations	857.2	726.5
300. Tax (expense)/recovery on income from continuing operations	35.2	454.2
310. Profit (loss) after tax from continuing operations	892.4	1,180.7
320. Profit (loss) after tax from discontinued operations	(0.1)	(21.6)
330. Profit (loss) for the period	892.3	1,159.1
340. Net Profit (loss) attributable to non-controlling interests	(0.1)	(0.1)
350. Parent company's net profit (loss) for the period	892.4	1,159.2
	30 06 2025	30 06 2024
Basic Earnings per Share (Basic EPS)	0.708	0.920
<i>of continuing operations</i>	<i>0.708</i>	<i>0.937</i>
<i>of groups of assets held for sale and discontinued operations</i>	<i>-</i>	<i>(0.017)</i>
Diluted Earnings per Share (Diluted EPS)	0.708	0.920
<i>of continuing operations</i>	<i>0.708</i>	<i>0.937</i>
<i>of groups of assets held for sale and discontinued operations</i>	<i>-</i>	<i>(0.017)</i>

Consolidated Statement of Comprehensive Income

Items	30 06 2025	30 06 2024
10. Profit (loss) for the period	892.3	1,159.1
Other comprehensive income after tax not recycled to profit or loss	(6.7)	(2.2)
20. Equity instruments designated at fair value through other comprehensive income	0.2	2.0
30. Financial liabilities designated at fair value through profit or loss (change in the entity's own credit risk)	(2.0)	(2.8)
50. Property, plant and equipment	1.0	(9.7)
70. Defined benefit plans	-	1.5
80. Non-current assets held for sale	(5.5)	2.4
90. Share of valuation reserves of equity-accounted investments	(0.4)	4.4
Other comprehensive income after tax recycled to profit or loss	13.2	(24.5)
110. Exchange differences	(2.9)	0.7
120. Cash flow hedges	(0.5)	(7.4)
140. Financial assets (other than equity securities) measured at fair value through other comprehensive income	17.7	(6.7)
160. Share of valuation reserves of equity-accounted investments	(1.1)	(11.1)
170. Total other comprehensive income after tax	6.5	(26.7)
180. Total comprehensive income (Item 10+130)	898.8	1,132.4
190. Consolidated comprehensive income attributable to non-controlling interests	(0.1)	(0.1)
200. Consolidated comprehensive income attributable to Parent Company	898.9	1,132.5

Consolidated Statement of changes in equity – 30 June 2025

	Balance as at 31 12 2024	Change in opening balances	Balance as at 01 01 2025	Allocation of profit/(loss) from prior year		Changes during the period								Total Comprehensive income as at 30 06 2025	Total equity as at 30 06 2025	Group equity as at 30 06 2025	Non-controlling interests at 30 06 2025
				Reserves	Dividends and other payments	Changes in reserves	Shareholders' equity transactions					Changes in equity interests					
							Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Change in equity instruments	Treasury shares derivatives		Stock options				
Share Capital:	7,454.0	-	7,454.0	-	-	-	-	-	-	-	-	-	-	7,454.0	7,453.5	0.5	
a) ordinary shares	7,454.0	-	7,454.0	-	-	-	-	-	-	-	-	-	-	7,454.0	7,453.5	0.5	
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserves:	2,183.0	-	2,183.0	867.2	-	5.8	-	-	-	-	-	-	-	3,056.0	3,057.6	(1.6)	
a) from profits	2,186.2	-	2,186.2	867.2	-	5.8	-	-	-	-	-	-	-	3,059.2	3,060.8	(1.6)	
b) others	(3.2)	-	(3.2)	-	-	-	-	-	-	-	-	-	-	(3.2)	(3.2)	-	
Valuation reserves	61.7	-	61.7	-	-	-	-	-	-	-	-	-	6.5	68.2	66.9	1.3	
Net profit (loss)	1,950.6	-	1,950.6	(867.2)	(1,083.4)	-	-	-	-	-	-	-	892.3	892.3	892.4	(0.1)	
Total equity	11,649.3	-	11,649.3	-	(1,083.4)	5.8	-	-	-	-	-	-	898.8	11,470.6	11,470.4	0.1	
Group equity	11,649.0	-	11,649.0	-	(1,083.3)	5.8	-	-	-	-	-	-	898.9	11,470.4	11,470.4	X	
Non-controlling interest	0.3	-	0.3	-	(0.1)	-	-	-	-	-	-	-	(0.1)	0.2	X	0.1	

As at 30 June 2025, shareholders' equity, including non-controlling and the result for the period, amounted to EUR 11,470.6 mln, compared with EUR 11,649.3 mln as at 31 December 2024, representing a net increase of EUR 178.7 mln. This performance was mainly due to: (i) profit for the period equal to EUR 892.3 mln; (ii) to the distribution of the 2024 dividend by the Parent Company in the amount of EUR 1,083.4 mln and (iii) to the net negative change in valuation reserves amounting to 6.5 mln, the breakdown of which is shown in the statement of comprehensive income, to which reference is made.

Consolidated Statement of changes in equity – 30 June 2024

	Balance as at 31 12 2023	Change in opening balances	Balance as at 01 01 2024	Allocation of profit/(loss) from prior year		Changes during the period								Total comprehensive income as at 30 06 2024	Total equity as at 30 06 2024	Group equity as at 30 06 2024	Non-controlling interests as at 30 06 2024
				Reserves	Dividends and other payments	Changes in reserves	Shareholders' equity transactions						Changes in equity interests				
							Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Change in equity instruments	Treasury share derivatives	Stock options					
Share Capital:	7,454.1	-	7,454.1	-	-	-	-	-	-	-	-	-	-	7,454.1	7,453.5	0.6	
a) ordinary shares	7,454.1	-	7,454.1	-	-	-	-	-	-	-	-	-	-	7,454.1	7,453.5	0.6	
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Reserves:	444.2	-	444.2	1,736.6	-	(1.1)	-	-	-	-	-	-	-	2,179.7	2,181.0	(1.3)	
a) from profits	576.3	-	576.3	1,608.6	-	(2.0)	-	-	-	-	-	-	-	2,182.9	2,184.2	(1.3)	
b) others	(132.1)	-	(132.1)	128.0	-	0.9	-	-	-	-	-	-	-	(3.2)	(3.2)	-	
Valuation reserves	29.2	-	29.2	-	-	-	-	-	-	-	-	-	(26.7)	2.5	1.3	1.2	
Net profit (loss)	2,051.6	-	2,051.6	(1,736.6)	(315.0)	-	-	-	-	-	-	-	1,159.1	1,159.1	1,159.2	(0.1)	
Total equity	9,979.1	-	9,979.1	-	(315.0)	(1.1)	-	-	-	-	-	-	1,132.4	10,795.4	10,795.0	0.4	
Group equity	9,978.4	-	9,978.4	-	(314.9)	(1.1)	-	-	-	-	-	-	1,132.5	10,795.0	10,795.0	X	
Non-controlling interests	0.7	-	0.7	-	(0.1)	-	-	-	-	-	-	-	(0.1)	0.4	X	0.4	

As at 30 June 2024, shareholders' equity, including non-controlling and the result for the period, amounted to EUR 10,795.4 mln, compared with EUR 9,979.1 mln as at 31 December 2023, representing a net increase of EUR 816.3 mln. This performance was mainly due to: (i) profit for the period equal to EUR 1,159.1 mln; (ii) the distribution of the 2023 dividend by the Parent Company in the amount of EUR 314.9 mln and (iii) to the net positive change in valuation reserves amounting to EUR 26.7 mln, the breakdown of which is shown in the statement of comprehensive income, to which reference is made.

Consolidated cash flow statement - indirect method

A. OPERATING ACTIVITIES	30 06 2025	30 06 2024
1. Cash flow from operations	1,381.7	1,012.5
Profit/(loss) for the period	892.3	1,159.1
Gains/losses on financial assets held for trading and on financial assets/liabilities measured at fair value (-/+)	95.7	(258.0)
Gains/losses on hedging assets (-/+)	0.5	(1.6)
Net impairment losses/reversals (+/-)	241.0	291.9
Net adjustment/recoveries on property, plant and equipment and intangible assets (+/-)	81.4	103.0
Net provisions for risks and charges and other expenses/income (+/-)	35.8	(6.8)
Unpaid charges, taxes and tax credit	(35.2)	(454.2)
Net adjustments to/recoveries on discontinued operations after tax (+/-)	0.5	3.3
Other adjustments	69.7	175.8
2. Cash flow from (used in) financial assets	(4,502.5)	(2,966.9)
Financial assets held for trading	(2,265.7)	(1,014.6)
Other assets mandatorily measured at fair value	5.6	(57.0)
Financial assets measured at fair value through other comprehensive income	445.4	15.2
Financial assets measured at amortised cost	(2,804.9)	(1,587.5)
Other assets	117.1	(323.0)
3. Cash flow from (used in) financial liabilities	2,747.7	4,927.1
Financial liabilities measured at amortised cost	966.7	4,515.1
Financial liabilities held for trading	736.4	1,148.7
Financial liabilities measured at fair value	2.8	2.3
Other liabilities	1,041.8	(739.0)
Net cash flow from (used in) operating activities	(373.1)	2,972.7
B. INVESTMENT ACTIVITIES	30 06 2025	30 06 2024
1. Cash flow form	7.4	36.0
Dividends cashed on investments	-	35.5
Sales of property, plant and equipment	7.4	0.5
2. Cash flow used in	(8.4)	(12.4)
Purchases of property, plant and equipment	(5.1)	(5.0)
Purchases of intangible assets	(3.3)	(7.4)
Net cash flow from (used in) investments activities	(1.0)	23.6
C. FUNDING ACTIVITIES	30 06 2025	30 06 2024
Distribution of dividends and other objectives	(1,081.0)	(315.0)
Net cash flow from (used in) funding activities	(1,081.0)	(315.0)
NET CASH FLOW FROM (USED IN) OPERATING, INVESTMENT AND FUNDING ACTIVITIES DURING THE PERIOD	(1,455.1)	2,681.3
Reconciliation		
Items of the financial statements	30 06 2025	30 06 2024
Cash and cash equivalents at the start of the period	13,249.4	14,317.3
Net increase (decrease) in cash and cash equivalents	(1,455.1)	2,681.3
Cash and liquid assets at the end of the period	11,794.3	16,998.6

EXPLANATORY NOTES

Accounting Policies

Basis of preparation

The interim financial report of the Monte dei Paschi di Siena Group as at 30 June 2025, approved by the Board of Directors on 5 August 2025, includes the interim management report and the condensed consolidated half-yearly financial statements and has been prepared in accordance with the financial disclosure obligations set out in Article 154-ter of Legislative Decree No. 58 of 24 February 1998 (TUF) and in compliance with the IFRS accounting standards issued by the International Accounting Standards Board and the related interpretations of the IFRS Interpretations Committee adopted by the European Union, as established by EC Regulation No. 1606 of 19 July 2002 and in force as at 30 June 2025.

The condensed consolidated half-yearly financial statements, prepared using the Euro as the reporting currency, have been drawn up in summary form and in accordance with IAS 34 "Interim Financial Reporting". They comprise the consolidated balance sheet, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the explanatory notes; The formats of the condensed consolidated half-yearly financial statements and the explanatory notes, unless otherwise indicated, are presented in mlns of Euro.

For the preparation of the Consolidated Condensed Interim Financial Statements, the accounting policies have been applied of the provisions of Bank of Italy Circular No. 262 of 22 December 2005, "Bank financial statements: schemes and compilation rules" and subsequent updates, most recently the 8th update published on 17 November 2022.

The Consolidated Condensed Interim Financial Statements show, in addition to the amounts pertaining to the reporting period, also the corresponding comparison data as at 31 December 2024 for the Consolidated Balance Sheet and for the first half-year of 2024 for:

- the Consolidated Income Statement;
- the Consolidated Statement of Comprehensive Income;
- the Consolidated Statement of Changes in Equity; and
- the Consolidated Cash Flow Statement.

As outlined in the consolidated financial statements as at 31 December 2024, to which reference is made, as of 30 June 2024 the subsidiary Monte Paschi Banque S.A. has been classified as a disposal group ("*discontinued operations*") pursuant to IFRS 5. In particular, in the balance sheet as at 30 June 2025 and in the corresponding comparative data as at 31 December 2024, the assets and related liabilities of the subsidiary are reported under the consolidated balance sheet items "Non-current assets and disposal groups" (EUR 1,058.5 mln as at 30 June 2025) and "Liabilities associated with disposal groups" (EUR 978.7 mln as at 30 June 2025). With regard to the income statement, the subsidiary's contribution has been recognised under item 320 "Profit (Loss) after tax from discontinued operations" for both the first six months of 2025 and the corresponding comparative period to 30 June 2024. From a measurement standpoint, application of the valuation criteria under IFRS 5 had a negative impact on the Group's equity and income as at 30 June 2025 of approximately EUR 40.4 mln (of which EUR 36.4 mln was recognised in 2024) and EUR 4 mln, respectively. In addition, it should be noted that the subsidiary made a positive contribution of approximately EUR 4 mln to the Group's consolidated result for the first half of 2025, and therefore the balance of income statement item 320 is essentially zero and the contribution to consolidated shareholders' equity as at 30 June 2025 is negative of approximately EUR 22 mln, unchanged compared to the figure as at 31 December 2024, also considering the profit recorded by MP Banque S.A. equal to EUR 14.4 mln as of the same date.

For the sake of completeness, it should be noted that the item "Non-current assets held for sale and disposal groups" as at 30 June 2025 also includes: i) portfolios of non-performing loans with a total gross exposure of EUR 333.1 mln and a total net exposure of EUR 86.1 mln, the disposal of which will be completed by the fourth quarter of 2025; ii) an equity security worth EUR 0.9 mln; iii) real estate assets totalling EUR 30.5 mln. It should be noted that as at 31 December 2024 the item "Non-current assets held for sale and disposal groups" included, in addition to the assets of the subsidiary MP Banque S.A., equity investments in Bancomat Spa amounting to EUR 7.6 mln, and in Bank of Italy amounting to EUR 50.0 mln, as well as real estate and land amounting to EUR 7.0 mln, of which the related divestments were completed in the first half of 2025.

The Condensed Consolidated Half-Yearly Financial Statements as at 30 June 2025 are drafted with clarity and give a true and fair view of the Bank's assets, financial position, profit and loss for the period, change in shareholders' equity and the cash flows generated.

With reference to the classification, recognition, valuation and derecognition of the various asset and liability entries, as well as the methods for recognising revenue and costs, the accounting principles used for the preparation of the present Condensed Consolidated Half-Yearly Financial Statements are the same as those used for preparation of the Consolidated Financial Statements as at 31 December 2024, to which the reader is referred for more detail.

The Condensed Consolidated Half-Yearly Financial Statements as at 30 June 2025 are accompanied by the certification of the Financial Reporting Officer, pursuant to art. 154-bis of the Consolidated Law on Finance, and are subject to limited review by the Independent Auditors PricewaterhouseCoopers S.p.A.

An illustration of the new accounting standards, or the changes to existing standards approved by the IASB is provided below, as well as the new interpretations or changes to existing interpretations published by IFRIC, with separate reporting on those applicable in 2025 from those applicable in subsequent years.

IAS/IFRS accounting standards and related SIC/IFRIC interpretations endorsed whose application is mandatory as of the 2025 financial statements

Regulation (EU) 2024/2862, of 12 November 2024, endorsed the amendment to IAS 21 "**The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**", published by the IASB on 15 August 2023. The amendment clarifies when a currency is convertible or not convertible into another currency, how to estimate the exchange rate if the currency is not convertible, and the disclosures to be made in the notes to the financial statements.

The amendment will become effective on 1 January 2025, but early adoption is permitted.

The aforementioned amendment did not have any significant impact on the Group's financial position or performance.

IAS/IFRS accounting standards and related SIC/IFRIC interpretations endorsed, the application of which is mandatory after 31 December 2025

Regulation (EU) 2025/1047 of 28 May 2025 endorsed the amendment to IFRS 9 and IFRS 7, titled "**Amendments to the Classification and Measurement of Financial Instruments**". The amendments to the two standards clarify certain critical aspects of the classification and measurement of financial instruments pursuant to IFRS 9 that emerged from the post-implementation review of the standard. In particular, the amendments addressed:

- the classification of financial instruments with variable returns linked to ESG objectives. On this topic, the IASB has listed some examples of financial instruments to determine whether the SPPI requirement is met. More specifically:
 - an arrangement whereby interest is to be paid if the borrower meets a contracted ESG target (e.g. to reduce carbon emissions) is consistent with a basic lending arrangement and, therefore, enables a positive assessment;
 - an arrangement that provides for the adjustment of an market variable-linked interest rate (e.g. the carbon price index) does not compensate the lender for the risks and costs associated with lending the principal amount; therefore, it does not qualify as a basic lending arrangement.
- settling financial liabilities using an electronic payment system. The amendments permit liability to be settled in cash using an electronic payment system before the settlement date (by exception from the applicable rules) only when the payment instruction issued by the entity:
 - a) cannot be withdrawn, stopped or cancelled;
 - b) the cash to be used for settlement of the payment instruction cannot be accessed and
 - c) the settlement risk associated with the electronic payment system is insignificant (i.e. when a standard procedure is used to execute the payment instruction and there is a short period between the fulfilment requirements (a) and (b) and the delivery of the cash to the counterparty. However, the settlement risk is not insignificant if the execution of the payment instruction is contingent on the entity's ability to deliver cash on the settlement date.

With these amendments to IFRS 9 - *Financial Instruments*, the IASB also introduced additional disclosure requirements to improve transparency for the benefit of investors as regards equity instruments for which the option has been exercised for the recognition of changes in fair value in the statement of comprehensive income (OCI election) and financial instruments with contingent characteristics, e.g. associated with ESG-linked objectives. The amendments apply to financial years beginning on or after 1 January 2026.

No significant impacts are expected from the above amendments on the Group's balance sheet.

Regulation (EU) 2025/1266 of 1 July 2025 endorsed the amendment to IFRS 9 and IFRS 7 titled “**Contracts Referencing Nature-dependent Electricity**”, published by the IASB on 18 December 2024, with the aim of including in financial reporting specific disclosure requirements for this type of contract.

Nature-dependent contracts relate to the procurement of electricity from renewable sources and are characterised by contractual terms that expose the company to variability in the quantity of underlying electricity, as the electricity generation source depends on uncontrollable natural conditions (e.g. wind, sun, etc.); these may include both ‘buy or sell’ contracts and financial instruments referencing electricity. Such contracts are often structured as long-term Power Purchase Agreements (PPAs), which:

- provide a quantity of electricity generated by the nature-dependent energy source to the purchaser at a fixed unit price (“physical PPAs”) in addition to environmental certificates; or
- contain a swap that pays out the net difference between a fixed-price cash flow and a variable-price cash flow related to a quantity of nature-dependent energy source (“virtual PPPs” or “VPPAs”) and provide the corresponding environmental certificates.

A unique feature of these PPAs is that whether and how much electricity is generated by the reference plant at any given time is determined by the nature-dependent sources. The IASB’s amendments:

- introduce guidelines to assess whether contracts meet “own use” requirements and, therefore, can continue to be considered to be held for the purpose of the receipt of energy in accordance with the entity’s expected usage requirements, thus exempting the contract from the accounting treatment provided for contracts to buy or sell non-financial items and therefore the classification as financial instruments to be measured at *fair value*. This occurs if the entity has been, and expects to be, a net purchaser of electricity for the contract period (i.e. if it buys sufficient electricity to offset the sales of any unused electricity in the same market in which it sold the electricity).
- The integration of the hedge accounting treatment provided under IFRS 9, where the contract is designated as a hedging instrument in a cash flow hedge relationship. In this case, it is permissible to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of the volume of electricity expected to be delivered by the generation facility as referenced in the hedging instrument.
- The introduction of specific disclosures with regard to contracts to purchase energy from natural sources that meet “own use” requirements.

The amendments apply as of 1 January 2026. Early application is permitted. In particular, the changes relating to the “own use” exemption apply retrospectively under IAS 8, while the changes relating to hedge accounting treatment apply prospectively to relationships designated on or after the date of first application.

The aforementioned amendment is not expected to have a significant impact on the Group’s financial position and equity.

Finally, Regulation (EU) 2025/1331 of 9 July 2025 endorsed the document “**Annual Improvements Volume 11**”, published by the IASB on 18 July 2024, which includes clarifications, simplifications, corrections, and minor amendments to IFRS standards aimed at enhancing consistency. These concerned the following accounting standards:

- IFRS 1 “**First-time Adoption of International Financial Reporting Standards**”
- IFRS 7 “**Financial Instruments’ Disclosures**” and Guidance on implementing IFRS 7,
- IFRS 9 “**Financial Instruments**”
- IFRS 10 “**Consolidated Financial Statements**”; and
- IAS 7 “**Statement of Cash Flow**”.

The amendments apply as of 1 January 2026. Early application is permitted.

No significant effect on the Group’s consolidated financial statements is expected from the adoption of this document.

[IAS/IFRS international accounting standards and related SIC/IFRIC interpretations issued by the IASB and still awaiting approval from the European Commission](#)

On 9 April 2024, the IASB published IFRS 18 “**Presentation and Disclosure in Financial Statements**”, which replaces IAS 1 “Presentation of Financial Statements”. The new standard establishes the presentation and disclosure requirements for financial statements with the aim of making the information more transparent and comparable and to ensure that it faithfully represents the assets, liabilities, shareholders’ equity, revenues and costs of the entity. The main changes compared to IAS 1 are:

- the classification of income and expenses in five categories (operating, investing, financing, income taxes, discontinued operations) based on the core business activities of the entity;
- new statement items with sub-totals (operating profit; profit before financing and income taxes);
- increased obligations relating to the aggregation and disaggregation of information based on characteristics that agree (or not) with financial statement items; in particular, with regard to expenses to be presented within the “operating” category, items must be presented in the most useful way possible, choosing between a classification by nature, by function, or a combination of both;
- the introduction of disclosure requirements to include management-defined performance measures (MPMs) – i.e. financial performance measures based on new required totals or subtotals under IFRS, with certain adjustments (i.e. adjusted profit or loss).

The new standard also involves limited amendments to other standards, including IAS 7 “**Statement of Cash Flows**”, IAS 33 “**Earnings per Share**” and IAS 34 “**Interim Financial Reporting**”.

Application becomes effective from 1 January 2027; Pursuant to IAS 34, the entity will be required to present its income statement in compliance with IFRS 18 requirements in the 2027 half-yearly financial statements.

The Group is assessing the impact of these new amendments, which affect the presentation of the profit and loss account and disclosures in the financial statement, must be appropriately coordinated with Bank of Italy Circular No. 262 (i.e. the circular regulating financial statement formats and the rules for compiling financial statements of banks).

Finally, on 9 May 2024, the IASB published IFRS 19 “**Subsidiaries without Public Accountability: Disclosures**”. Under certain conditions, the new standard allows subsidiaries that apply the international accounting standards to provide reduced financial statement disclosures, thus lowering their financial statement preparation costs. In order to apply the standard, the subsidiary: i) it must not have “public accountability”, meaning it has not issued, is not in the process of issuing, equity or debt instruments in a regulated market, and does not hold assets in a fiduciary capacity for a broad group of outsiders; and ii) it must have a parent company, either ultimate or intermediate, that prepares consolidated financial statements in accordance with international accounting standards. The application of IFRS 19 is optional for eligible subsidiaries and enters into force from 1 January 2027.

The adoption of this standard is not expected to have a significant impact on the Group’s financial statements.

Other Matters

Pillar Two – Global Minimum Tax

In implementing the principles laid down by Law No. 111 of 9 August 2023, Legislative Decree No. 209 of 27 December 2023 transposed into the Italian legal system Council Directive (EU) 2022/2523 of 15 December 2022, aimed at ensuring a global minimum level of taxation (the so-called “Global Minimum Tax”) for large multinational enterprise groups and large-scale domestic groups within the European Union.

Title II of that decree introduced a global minimum taxation regime (the so-called GloBE rules). These rules were designed at international level by the OECD to combat harmful tax competition between countries.

These regulations apply, in principle from financial years starting on or after 1 January 2024, to national and multinational groups with revenues recorded in the consolidated financial statements of the ultimate parent company that exceed EUR 750 mln in at least two of the four years prior to the reporting period.

The Global Minimum Tax aims to ensure an effective tax rate of at least 15 percent in each jurisdiction where the aforementioned groups operate, through the application of a top-up tax in cases where the so-called “Effective Tax Rate” in a given jurisdiction, following the adjustments provided for under the rules set out in the aforementioned Title II and the related implementing decrees, falls below the minimum tax rate.

During 2024 and in the first half of 2025, the legislation was further developed at various levels (OECD, EU legislation and Italian law).

The MPS Group, being a multinational group (with Banca MPS as parent company, or UPE “Ultimate Parent Entity”), integrates the subjective prerequisites for the application of the new tax, therefore it is potentially impacted by said tax, in particular, having regard, besides Italy, to the following additional jurisdictions where subsidiaries or branches are present: France, Ireland and China.

In this regard, it is worth highlighting that France, Ireland and Italy, in addition to having implemented the supplementary minimum tax (IIR, Income Inclusion Rate) and the national minimum tax (DMTT, Domestic minimum Top-Up Tax), have

also obtained, on a transitional basis, the "qualified" status and, with reference to the national minimum tax, also the "safe harbour" status (see list of qualified jurisdictions published on the OECD institutional website on 15 January 2025 and the related MEF communiqué 23 January 2025).

For the purposes of these condensed consolidated half-yearly financial statements as at 30 June 2025, based on the estimates carried out, the potential impacts of the new tax on the Group's financial position and performance are considered not to be significant, as summarised below:

- i. the Global Minimum Tax rate (15%) is lower than the estimated effective tax rate applicable for Group companies located in both Italy and France,
- ii. with reference to the branch located in China (Shanghai), the Parent Company, also in consideration of the closure activities currently underway (whose conclusion is scheduled by the end of 2025), could benefit from the "de minimis exclusion", envisaged by regulations on simplified transitional regimes;
- iii. with regard to the only Group company located in Ireland (Axa MPS Financial DAC Ltd, which qualifies under the Pillar 2 rules as a "jointly controlled entity" in which Banca MPS holds an indirect interest equal to 50 percent of the capital), no minimum top-up tax would appear to be due in Italy by the Parent Company BMPS, due to the "safe harbour" status of the QDMTT ("Qualified Domestic Minimum Top-up Tax") provided for under Irish legislation (see the aforementioned press release from the Ministry of Economy and Finance dated 23 January 2025, as well as the OECD document Inclusive Framework on BEPS, Tax Challenges Arising from the Digitalisation of the Economy – Administrative Guidance on the Global Anti-Base Erosion Model Rules (Pillar Two), Central Record of Legislation with Transitional Qualified Status, dated 28 March 2025).

Lastly, note that the Group is currently monitoring the continuous developments in regulations at global and national level, also in order to implement the necessary GMT management processes.

Estimates and assumptions when preparing the Condensed Consolidated Half-Yearly Financial Statements

The application of certain accounting standards necessarily implies the use of estimates and assumptions that impact the values of the assets and liabilities recognised in the financial statements as well as the disclosure provided on contingent assets and liabilities. The assumptions underlying the estimates developed take into consideration all available information at the date on which this Half-Yearly Financial Report was drafted as well as the assumptions considered reasonable, also in light of historical experience. By their very nature, it is therefore not possible to exclude that the assumptions used, albeit reasonable, may not be confirmed in the future scenarios in which the Group will be operating. In particular, it should be noted that significant elements of uncertainty persist in the current macroeconomic environment. Specifically, the international context continues to be affected by ongoing political instability and active conflicts. The announcement by the US administration of a broad and generalised increase in tariffs, the subsequent rapid decisions to suspend them, the introduction of further new measures, and the still unpredictable outcome of negotiations between the United States and its main trading partners have all contributed to this heightened uncertainty. A further source of uncertainty is represented by the effects resulting from climate change, whose manifestations are becoming increasingly frequent and of serious impact.

These uncertainties affect the estimates in these condensed consolidated half-yearly financial statements, requiring the use of significant judgement in selecting the underlying assumptions and hypotheses. The results achieved in the future therefore could differ from the estimates made for the purposes of these condensed consolidated financial statements and as a result adjustments may be required, to an extent that cannot be currently predicted or estimated, with respect to the carrying amount of the assets and liabilities recognised.

In this regard, please note that estimates could need to be revised following changes in the circumstances on which they were based, the availability of new information or the increased experience gained.

Lastly, please note that in order to allow an appreciation of the effects on the financial statements correlated to the above mentioned elements of uncertainty, in these condensed consolidated half-yearly financial statements, for the main items of the financial statements subject to estimates (recoverability of deferred tax assets, expected losses on performing loans) information is provided on the main hypotheses and assumptions used in the estimate, as well as a sensitivity analysis with respect to alternative hypotheses.

Below are the accounting policies considered to be the most critical for the purpose of a true and fair representation of the Group's financial situation and results of operations, both in terms of materiality of the values to be recorded in the Financial Statements impacted by these policies, and for the high degree of judgement inherent in the measurements,

which implies the use of estimates and assumptions by management, referring to the specific sections of the explanatory notes to the Consolidated Financial Statements as of 31 December 2024 for detailed information on the measurement processes conducted.

The main cases in which subjective valuations are mostly opted for by Management include:

- quantification of impairment losses on loans and, more generally, other financial assets;
- assessment of the adequacy of the value of equity investments and of other non-financial assets (goodwill, property, plant and equipment, including right of use assets acquired through leasing and intangible assets);
- use of valuation models to measure the fair value of financial instruments not listed in active markets (for more information please refer to the paragraph “Disclosure on Fair value” of these explanatory notes);
- estimation and assumptions on recoverability of deferred tax assets;
- estimation of liabilities arising from defined benefit company pension funds;
- quantification of the fair value of investment properties and operating properties for business use;
- quantification of provisions for risks and charges related to legal and tax disputes.

Impairment losses on loans and receivables

Macroeconomic forecasts for 2025, 2026 and 2027

On 5 June 2025, the ECB published the periodic update of the macroeconomic forecasts for the Eurozone prepared by its staff with the contribution of the individual national central banks. The euro area economy is expected to slow down its projected recovery – after slightly weaker-than-expected growth at the end of 2024 – due to persistently high levels of geopolitical, economic and trade policy uncertainty.

In detail, the average annual growth rate of GDP in real terms is expected to be 0.9% in 2025, rising to 1.1% in 2026 and 1.3% in 2027. Compared with the projections released in March 2025, trade tensions and elevated global uncertainty are not expected to affect the estimates for 2025, thanks to stronger-than-expected economic performance in the first quarter. However, these factors, together with the appreciation of the exchange rate, have led to a slight downward revision of growth for 2026 (-0.1 percentage points), while the forecasts for 2027 remain unchanged.

Headline inflation as measured by the Harmonised Index of Consumer Prices (HICP) is estimated at 2.0% in 2025 and 1.4% in 2026, down by 0.3 percentage points compared with the March forecasts (2.3% and 1.7% respectively), due to assumptions of more moderate energy commodity prices; the estimates for 2027 remain unchanged, reflecting slightly less favourable prospects for the energy component towards the end of the forecast horizon.

The macroeconomic projections for Italy, which form part of the Eurosystem’s joint exercise, were published by the Bank of Italy in the document *Macroeconomic Projections for the Italian Economy* on 13 June and confirmed in the *Economic Bulletin* of 11 July 2025. The GDP growth projections, unchanged from those of April, assume marginal increases during 2025, held back by the direct and indirect effects of tariffs, and slightly stronger growth thereafter, mainly benefiting from favourable consumption trends; GDP is expected to grow by 0.6% in the current year, and by 0.8% and 0.7% in 2026 and 2027 respectively.

Inflation forecasts, virtually unchanged from April, show consumer inflation averaging 1.1% in 2024, rising to 1.5% in the current year (1.6% in April), and to 1.5% and 2.0% in 2026 and 2027 respectively (figures unchanged from April).

Against this backdrop, the following information refers to the main macroeconomic and financial indicators included in the “baseline”, “severe but plausible” and “best” scenarios used in the IFRS 9 models for staging determination and accounting valuations as at 30 June 2025, covering the period 2025 -2027.

Scenario	Year	GDP	Unemployment rate	Consumer Price Index	3-month interbank interest rate	Eurirs 10y interest rate (%)	Interest rate on 10-year BTPs	Short-term interest rate on loans to families and companies
Baseline	2025	0.65%	5.96%	2.01%	2.05%	2.17%	3.34%	4.10%
	2026	0.71%	5.81%	2.07%	2.02%	2.37%	3.52%	3.81%
	2027	0.53%	5.58%	2.04%	2.44%	3.01%	4.05%	3.89%
	AVG	0.63%	5.78%	2.04%	2.17%	2.51%	3.64%	3.93%
Severe but plausible	2025	0.11%	6.14%	3.03%	2.54%	2.50%	3.98%	4.47%
	2026	0.14%	6.44%	2.26%	2.51%	2.72%	4.31%	4.26%
	2027	0.13%	6.74%	1.77%	2.46%	3.01%	4.53%	4.02%
	AVG	0.13%	6.44%	2.35%	2.50%	2.74%	4.28%	4.25%
Best	2025	1.32%	5.86%	1.69%	2.06%	2.30%	3.35%	4.10%
	2026	1.38%	5.42%	1.60%	2.32%	2.63%	3.45%	4.02%
	2027	1.04%	4.86%	1.69%	2.48%	3.23%	3.91%	3.93%
	AVG	1.25%	5.38%	1.66%	2.29%	2.72%	3.57%	4.01%

To reflect the increased uncertainty of the current environment, the Group updated its macroeconomic scenarios – compared with those adopted as at 31 December 2024 – already for the Interim Financial Report as at 31 March 2025.

The macroeconomic forecasts updated in June 2025, with reference to the baseline scenario, show, compared with the scenario currently in use, a cumulative average variation in GDP that remains within the thresholds established by the Group's accounting rules; more specifically, the outlook remains substantially unchanged over the 2025-2028 period. As a result, the scenarios used for the Interim Financial Report as at 31 March 2025 were confirmed for the accounting valuations as at 30 June 2025. These scenarios were developed internally in January 2025, also taking into account the forecasts provided by external providers.

In addition, in line with the approach adopted as at 31 March 2025, the asymmetric treatment was applied to the ECL estimate, using only the "Baseline" and "Severe but Plausible" scenarios – with weights of 66.6% and 33.3% respectively – in place of the three scenarios ("Best", "Baseline" and "Severe but Plausible") weighted respectively at 21.05%, 52.63% and 26.32%, which had been used for the estimates as at 31 December 2024, in order to better align the three-year forecasts with the changed macroeconomic context. The adoption of this approach resulted in additional adjustments totalling EUR 12.4 mln (EUR 12.9 mln as at 31 March 2025).

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With regard to the management overlay, the Group has decided, for the purposes of these condensed consolidated half-yearly financial statements, to operate with substantial methodological continuity compared with previous financial years. It should be remembered that, as at 31 December 2024, "post-model adjustments" had been applied to the results of the ECL estimation methods, within the framework of flexibility allowed by IFRS 9 and in light of the greater prudence necessary in relation to emerging risks deriving from the current and forward-looking contexts. The overlays were necessary to complement the results of the models in production, in order to better capture the uncertainties and risks inherent in the forecasts as well as the observed/predicted deviations from the long-term time series.

On the whole, adjusting loan loss provisions as at 30 June 2025 included prudent items for approximately EUR 117.7 mln, an increase of respectively, EUR 37.8 mln compared to 31 March 2025 and EUR 48.7 mln compared to 31 December 2024.

In particular, the increase compared with both 31 March 2025 and 31 December 2024 is mainly attributable to: i) the update of the historical series used for back-testing analysis, which resulted in slightly higher actual loss rates for some statistical LGD clusters compared with those estimated in previous periods; and ii) the introduction, from the first quarter of 2025, of the management overlay related to the asymmetry of the scenarios described above. By contrast, a reduction was recorded in the adjustment applied to variable-rate retail mortgages, due to a decrease in the observed 12-month default rate during the second quarter of 2025 compared with previous periods.

As at 30 June 2025, the Group maintained the same overlays used for accounting valuations as at 31 December 2024 and, as of 31 March 2025, introduced the overlay relating to scenario asymmetry. The overlays are presented under the following four main categories:

- Backtesting analysis - In line with the approach adopted since the first half of 2024, the Group conducted a backtesting exercise on expected loss rates across the individual models, by comparing LGD rates estimated on a historical basis with actual loss rates observed on positions closed in the period from December 2021 to December 2024. The comparison between the ECLs thus determined highlighted at overall level the conservative nature of both statistical and analytical provisions. However, the analysis revealed that for some clusters within the statistical LGD, actual loss rates were slightly higher than those estimated. The resulting additional adjustments, amounting to EUR 69.3 mln as at 30 June 2025, were recognised in the income statement (EUR 20.6 mln as at both 31 March 2025 and 31 December 2024).
- C&E scenarios - The Group confirmed the inclusion of climate and environmental factors in credit risk estimates, by integrating into the baseline scenario the macroeconomic indicators found in the NGFS “Net Zero 2050” scenario, updated in November 2024. This scenario, characterised by a proactive behaviour of the economic system with respect to the energy transition, would lead to a global economic contraction with the application of specific corrective measures resulting in higher allocations for EUR 23.4 mln (unchanged compared to 31 March 2025 and 31 December 2024);
- Variable-rate retail mortgages classified in Stage 2 - The default rates observed in 2025 for variable-rate mortgages, although showing an improving trend compared with the previous period, confirmed the signs of deviation already identified in 2023 and partly in 2024. This led to the confirmation for the first half of the financial year 2025 of the correction applied to these types of exposure determined through a sensitivity analysis carried out on the instalment-income ratio in a stress scenario in which further increases in rates lead to a doubling of the instalment and a consequent worsening of the customer’s instalment-income ratio. The application of this adjustment as at June 2025 resulted in additional impairment provisions of EUR 12.6 mln (EUR 22.9 mln and EUR 25.2 mln as at 31 March 2025 and 31 December 2024 respectively);
- Macroeconomic scenario asymmetry - In order to better align the three-year forecasts with the current macroeconomic environment, characterised by uncertainty linked to trade tensions with the US and ongoing international conflicts, an asymmetric approach was adopted as from 31 March 2025. This involved using only the “Baseline” and “Severe but Plausible” scenarios as above described. The adoption of this approach resulted in additional adjustments totalling EUR 12.4 mln (EUR 12.9 mln as at 31 March 2025).

This without prejudice to the transitional nature of the aforementioned management overlays linked to the implementation of IFRS 9 fine-tuning to the modelling framework that remains unchanged, in addition to the consideration that the results deriving from the aforementioned models are influenced by macroeconomic scenarios largely dependent on phenomena that are not fully consolidated and in any case still subject to extreme variability and uncertainty.

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The determination of expected credit losses involves significant elements of judgment, with particular reference to the model used to measure losses and the related risk parameters, to the triggers deemed to express significant credit deterioration and the selection of macroeconomic scenarios. In particular, the inclusion of forward-looking factors is a particularly complex exercise, as it requires macroeconomic forecasts to be formulated, scenarios and associated probabilities of occurrence to be selected, and a model to be defined capable of expressing the relationship between the aforementioned macroeconomic factors and the default rates of the exposures subject to valuation.

In order to assess how forward looking factors may influence expected losses, it is considered reasonable to carry out a sensitivity analysis in the context of different scenarios based on forecasts consistent with the evolution of the various macroeconomic factors. The innumerable interrelations between the individual macroeconomic factors are such as to render a sensitivity analysis of expected losses based on the individual macroeconomic factor of little significance.

The table below highlights the sensitivity for the main credit portfolios of the Group consisting of cash loans to customers, belonging to the corporate and retail segments of the two banks (Banca MPS and Widiba), which represent almost all of the Group’s total gross exposure, net of loans classified in the portfolio of non-current assets held for sale and disposal groups.

The analysis shows, in line with the same approach adopted for 2024, the impact for each level of risk on gross exposures, on the adjustments and on the coverage ratio in the cases where a weight equal to 100% of the baseline, severe but plausible and best-case scenarios, respectively, is used instead of the scenario defined as weighted - i.e. based on

weightings that the Group has attributed to each scenario⁷ - used by the Group for estimating the stages of risk and value adjustments as at 30 June 2025:

- The sensitivity of the portfolio to the severe but plausible scenario would result in (i) a shift of counterparties into Stage 2, with gross exposure increasing by EUR 632.3 mln (+6.44%), leading to an estimated rise in ECL of around 14% (approximately EUR 43.5 mln) and an increase in average coverage of around 22 basis points; (ii) a corresponding reduction in Stage 1 counterparties, with exposure decreasing by EUR 632.3 mln (-0.94%), a slight increase in ECL of 0.17% (around EUR 0.2 mln), and an average coverage that remains broadly unchanged.
- the sensitivity of the portfolio to the baseline scenario would entail (i) a decrease in stage 2 counterparties, whose exposure would show a slight decline of approximately EUR 35.3 mln (-0.36%), with a resulting reduction in ECL estimated at around 1.08% (approximately EUR 3.4 mln) and an essentially unchanged average coverage ratio, (ii) a modest increase both in exposures, of approximately EUR 35.3 mln (+0.05%), and a slight increase in ECL, of approximately EUR 0.2 mln (+0.21%) for stage 1, with the average coverage ratio remaining unchanged;
- Conversely, the sensitivity analysis of the portfolio to the best-case scenario would see (i) a reduction in the stock of stage 2 positions equal to EUR 334.3 mln (a reduction of 3.40%) with a potential economic benefit on the ECL of about EUR 33.3 mln (10.65%), and a consequent decrease in the coverage ratio of about 24 bps; (ii) an increase in Stage 1 counterparties, with exposures rising by EUR 334.3 mln (an increase of 0.50%), a decrease in ECL of approximately 2.31% (around EUR 2.5 mln), and an average coverage ratio that remains substantially unchanged.

The sensitivity analysis of adjustments of non-performing exposures would see an increase in the severe but plausible scenario of about EUR 19.6 mln (+1.27%) and a slight reduction of about EUR 1.2 mln (-0.08%) and a reduction of EUR 21.5 mln (-1.39%) in the baseline and best case scenarios, respectively.

⁷ The weighted scenario was determined using weightings of 21.05%, 52.6% and 26.32% for the Best, Baseline and Severe but plausible scenarios, respectively.

Scenarios (Delta in EUR/mln)				
	Weighted	Best	Severe but plausible	Baseline
STAGE 1 Gross exposure	67,316.1	334.3	(632.3)	35.3
of which CORPORATE	37,471.8	290.4	(604.3)	33.7
of which RETAIL	29,844.3	43.9	(28.0)	1.6
STAGE 1 Adjustments	107.1	(2.5)	0.2	0.2
of which CORPORATE	77.4	(1.2)	(0.5)	0.1
of which RETAIL	29.7	(1.2)	0.7	0.2
STAGE 1 coverage ratio (%)	0.16%	0.00%	0.00%	0.00%
of which CORPORATE	0.21%	0.00%	0.00%	0.00%
of which RETAIL	0.10%	0.00%	0.00%	0.00%
STAGE 2 Gross exposure	9,821.1	(334.3)	632.3	(35.3)
of which CORPORATE	7,156.9	(290.4)	604.3	(33.7)
of which RETAIL	2,664.3	(43.9)	28.0	(1.6)
STAGE 2 Adjustments	313.1	(33.3)	43.5	(3.4)
of which CORPORATE	254.7	(27.4)	38.2	(3.0)
of which RETAIL	58.3	(5.9)	5.3	(0.3)
STAGE 2 coverage ratio (%)	3.19%	-0.24%	0.22%	-0.02%
of which CORPORATE	3.56%	-0.25%	0.22%	-0.03%
of which RETAIL	2.19%	-0.19%	0.18%	-0.01%
STAGE 3 Gross exposure	3,335.5	-	-	-
of which CORPORATE	2,565.8	-	-	-
of which RETAIL	769.7	-	-	-
STAGE 3 Adjustments	1,548.2	(21.5)	19.6	(1.2)
of which CORPORATE	1,278.2	(10.9)	9.8	(0.6)
of which RETAIL	270.0	(10.7)	9.8	(0.6)
STAGE 3 coverage ratio (%)	46.42%	-0.65%	0.59%	-0.04%
of which CORPORATE	49.82%	-0.42%	0.38%	-0.02%
of which RETAIL	35.09%	-1.38%	1.27%	-0.08%
TOTAL Adjustments	1,968.4	(57.3)	63.4	(4.4)
of which CORPORATE	1,610.3	(39.5)	47.5	(3.5)
of which RETAIL	358.1	(17.8)	15.8	(0.8)

However, it cannot be ruled out that a deterioration in the credit situation of debtors, also as a result of possible negative effects on the economy related to the macroeconomic environment, could lead to the recognition of further losses, including significant ones, compared to those considered at 30 June 2025.

Impairment test of equity investments and goodwill

In compliance with IAS 36, at each reporting or interim reporting date, the MPS Group verifies for its equity investments recognised in the balance sheet assets that there is no objective evidence that could lead it to believe that the book value of such assets is not entirely recoverable.

The method adopted by the MPS Group envisages in the first instance the use of a set of impairment indicators based on several factors, referring to the investee, including the type of business, market listing and budget objectives. The presence of impairment indicators entails the recognition of a write-down in the amount for which the recoverable value is lower than the book value. The recoverable amount pursuant to IAS 36 is the higher between its fair value, net of costs to sell, and its value in use, equal to the present value of future cash flows that the company expects from continuous use of the asset and its disposal at the end of its useful life.

The assessments carried out by the Group as at 30 June 2025 confirmed that the triggers held, with the exception of one equity investment for which the recoverable amount was nonetheless higher than the carrying amount. No adjustments were therefore made to the carrying amount of the investments.

With reference to goodwill, the impairment test is carried out annually on 31 December of each year, unless evidence emerges such as to require an earlier execution of the test. Since goodwill is fully allocated to the Widiba CGU, the valuation carried out on the equity investee indirectly indicates the absence or presence of any impairment of goodwill. The assessment carried out as at 30 June 2025 confirmed that the triggers held and therefore the absence of evidence of impairment for goodwill as well.

Property valuation

The Group applies the method of re-determination of value for the measurement of property assets for business use pursuant to IAS 16 and of the fair value for investment properties pursuant to IAS 40, for measurement subsequent to the initial recognition. The revaluation method requires that the assets used in the business, whose fair value can be reliably measured, are recognised at a restated value, equal to their fair value at the date of the revaluation of value, net of depreciation and any losses for accumulated impairment. For properties held for investment purposes, the Group has chosen the fair value measurement method, according to which, after initial recognition, all investment properties are measured at fair value.

The fair value of the properties, whether they are for business use or investment properties, is determined using the appropriate appraisals prepared by qualified independent companies operating in the specific sector able to provide property valuations based on the RICS Valuation standard, which guarantee that the fair value is determined in line with the indications of IFRS 13 and that the appraisers meet the professional, ethical and independence requirements in keeping with the provisions of international and European standards.

The Group carries out half-yearly valuations of real estate assets, both for investment property and properties for business use. At 30 June 2025, the entire property portfolio owned by the Group was subjected to evaluation, consisting of 1,106 owned assets of which 666 properties for operating use (IAS 16), 4 goods buildings (IAS 2), 284 investment properties (IAS 40), 138 properties with mixed classification and 14 properties held for sale (IFRS5).

The assessment carried out as at 30 June 2025 took into account the reclassifications of assets among the various categories that occurred during the first half of the year.

The valuation methodologies applied by the appraiser are aligned with international IVS (International Valuation Standards) practices and with the provisions of the Red Book of the Royal Institute of Chartered Surveyors (RICS) and remained unchanged with respect to the previous valuations of property assets, which took place on 31 December 2024 and 30 June 2024. To learn more about the valuation methods as well as the valuation approach adopted by the Group, please refer to paragraph A.4 – Disclosure on fair value contained in the Accounting Policies of Part A of the 2024 Consolidated Financial Statements.

The appraisals were drawn up in full mode for 170 of the properties in scope (i.e. 15.4% of the total number and 27.9% of the total book value as of 30 June 2025) and on the basis of desktop analysis for the remaining properties (i.e. 84.6% of the total and 72.1% of the total book value as of 30 June 2025). The market value of the portfolio was estimated at a total of EUR 1,763.6 mln, which led to an overall write-down of property assets for EUR 3.1 mln, of which:

- Impairments were recognised for EUR 6.2 mln on properties classified under IAS 40 and EUR 0.3 mln on properties classified under IAS 2;
- revaluations were recognised for EUR 3.4 mln on properties classified under IAS 16.

The overall write-down was recognised as a balancing entry to:

- Income statement item 260 - "Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" – showed a total negative amount of EUR 4.8 mln, gross of the related tax effect;

- balance sheet item 120 - "Valuation reserve" – showed a total positive amount of EUR 1.7 mln, gross of the related tax effect.

For the sake of completeness, it should be noted that during the first half of the year, six properties of the Parent Company were classified under IFRS 5, with an overall positive economic impact of EUR 2.1 mln recognised under income statement item 260.

Estimation and assumptions on recoverability of deferred tax assets

The MPS Group has achieved significant tax losses in the past, in particular in fiscal years 2016 and 2017, of which the remaining amount as at 30 June 2025 equal to EUR 10.9 bn (EUR 11.5 bn as at 31 December 2025) is a prerequisite for the recognition in the balance sheet of corresponding DTAs. In compliance with the provisions of IAS 12 and the communication of ESMA of 15 July 2019, the initial recognition of the DTAs and their subsequent inclusion in the financial statements require a judgement on the likelihood of recovering the amounts recognised. This assessment was carried out in substantial continuity with the assumptions adopted for the Consolidated Financial Statements as at 31 December 2024. For more information in general concerning the methodological approach used by the Group in the valuation of deferred tax assets, please refer to par. 11.8 "Other information" in the Explanatory Notes to the Consolidated Financial Statements - Part B of the MPS Group's Consolidated Financial Statements as at 31 December 2024.

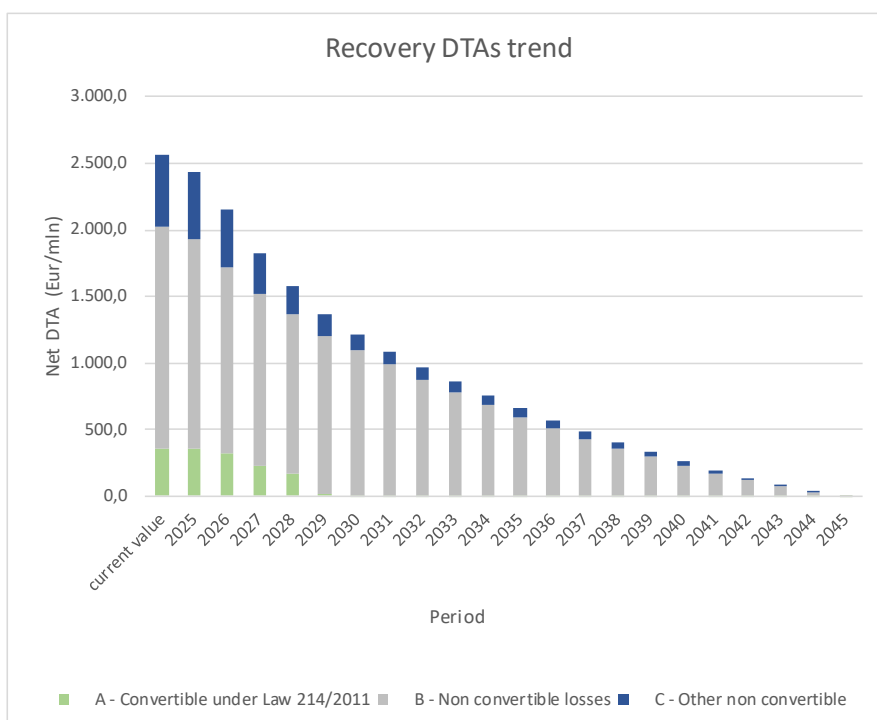
The valuation exercise conducted resulted in an overall increase in value of DTAs for EUR 309.9 mln, with the following effects on the Group's accounts:

- with reference to DTAs for consolidated tax losses, a revaluation of EUR 271.0 mln;
- with reference to DTAs for tax losses for purposes of additional IRES (corporate income tax), a revaluation of EUR 38.9 mln;

As a result of the aforementioned valuation, the Group had DTAs not stated as assets in the Balance Sheet, totalling EUR 1,278.4 mln as at 30 June 2025 (EUR 1,587.5 mln as at 31 December 2024).

For the Group, this amount is a potential asset not subject to any time limits according to current tax legislation, with the exception of the limits to carrying forward, in case of extraordinary transactions, envisaged by art. 172 and 173 of Italian Presidential Decree no. 917/1986; the relative recognition in balance sheet assets will be evaluated at the future reporting dates based on the Group's profit outlook.

The following chart shows, based on the methodology used for the probability test, the expected trend related to the recovery of DTAs recognised in the Financial Statements as at 30 June 2025, both quantitatively and over time, broken down between convertible DTAs pursuant to Italian Law 214/2011, DTAs from non-convertible losses and other non-convertible DTAs.



The probability test model in use in MPS Group includes some input data whose fluctuations in value can significantly influence the final result of the DTA valuation recognised in financial statements. Specifically, these are:

1. amount of the “trend-based average income” or “cap” (conventional pre-tax income projected for the years beyond the initial three-year period, income of which is derived from the Industrial Plan, such that it reflects the overall income over the valuation period considered for the probability test not exceeding the average ROE of the banking sector recorded for the same period);
2. discount rate of future results (coefficient used in the risk-adjusted profits approach);
3. tax rates for IRES, IRES additional tax and IRAP.

Certain indications on the sensitivity of results of the valuation model are provided below, assuming both an increase and decrease in each of the input data listed above. The effects shown in the table refer to the difference that would have occurred for the tax item in the income statement as at 30 June 2025, compared to the amount actually recognised, changing the individual variable as indicated.

Variable model input data	Decrease	Effect on income statements of decrease in DTAs (EUR/mln)	Increase	Effect on income statements of increase in DTAs (EUR/mln)
Group trend-based average income (cap) starting from 2028	-100 mln	(140.9)	+100 mln	145.3
Discount rate of prospective results	-1%	165.0	+1%	(146.5)
IRES tax rate	-1%	(89.1)	+1%	89.1

Rights of use in lease agreements

The standard IFRS 16 indicates that assets for rights of use acquired through lease agreements must be checked for indicators of impairment, similar to what takes place for owned assets. If they are identified, a comparison is made between the book value of the asset and the asset’s recoverable amount, i.e. the higher of the fair value and the value in use, which is the present value of the future cash flows generated by the asset. Any adjustments are posted to the income statement.

In order to identify events or situations that could lead to impairment, IAS 36 specifies that reference should be made to indicators obtained from:

- internal sources, such as signs of obsolescence and/or physical deterioration of the asset, restructuring plans or branch closures;
- external sources, such as the increase in interest rates or other rates of return on the market for investments that may cause a significant decrease in the recoverable amount of the asset.

As at 30 June 2025, the Group arranged the following checks:

- trend in interest rates used for discounting the payments;
- presence of unused leased properties.

The above checks did not reveal any indication of impairment for the right-of-use assets recognised in the financial statements.

Provision for risks and charges and provision for pensions and similar commitments

In accordance with IAS 37, for determining provision for risks and charges, an estimate is made – where possible – of the amount of financial disbursement necessary to fulfil the existing obligation, taking into account the effective probability of use resources. For more information, please refer to paragraph “Operational risk” of these explanatory notes.

On the other hand, in accordance with IAS 19, for the quantification of the provision for pension and similar commitments, is made an estimation of present value of the obligations, taking into account the discounted flows resulting from statistical analyses and the demographic curve. For more information refer to Part A – Accounting policies - Section 16 – Other Information of the Notes to the 2024 consolidated financial statements.

Going concern

The Condensed Consolidated Half-Yearly Financial Statements as at 30 June 2025 were prepared on a going concern basis.

After the forward-looking assessment of the financial and liquidity positions, with reference to indications provided in Document no. 2 of 6 February 2009 and Document no. 4 of 3 March 2010, issued jointly by the Bank of Italy, Consob and ISVAP, and subsequent amendments, the Directors can reasonably expect that the Group will continue operating as a going concern in the foreseeable future and therefore deemed it appropriate to prepare these Condensed Consolidated Half-Yearly Financial Statements on a going concern basis.

Scope and methods of consolidation

Investments in wholly-owned subsidiaries

The equity investments in wholly-owned subsidiaries are listed in the table below. For information on equity investments in companies jointly controlled or subject to significant influence by the Group, please refer to the contents of Part B – Information on the consolidated balance sheet - Section 7 - Equity investments of the Notes to the 2024 Financial Statements.

	Name	Headquarters	Registered Office	Type of relationship (*)	Ownership Relationship		Available votes % (**)
					Held by	Shareholding %	
A	Companies						
A.0	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Siena	Siena				
	Companies consolidated on a line-by-line basis						
A.1	MONTE PASCHI FIDUCIARIA S.p.a.	Siena	Siena	1	A.0	100.00	
A.2	WISE DIALOG BANK S.p.a. - WIDIBA	Milan	Milan	1	A.0	100.00	
A.3	MPS TENIMENTI POGGIO BONELLI E CHIGI SARACINI SOCIETA' AGRICOLA S.p.a.	Castelnuovo Berardenga (SI)	Castelnuovo Berardenga (SI)	1	A.0	100.00	
A.4	G.IMM ASTOR S.r.l.	Lecce	Lecce	1	A.0	52.00	
A.5	MAGAZZINI GENERALI FIDUCIARI DI MANTOVA S.p.a.	Mantua	Mantua	1	A.0	100.00	
A.6	MONTE PASCHI BANQUE S.A. (***)	Paris	Paris	1	A.0	100.00	
6.1	MONTE PASCHI CONSEIL FRANCE SOCIETE PAR ACTIONS SEMPLIFIEE	Paris	Paris		A.6	100.00	
6.2	IMMOBILIERE VICTOR HUGO S.C.I.	Paris	Paris		A.6	100.00	
A.7	MPS COVERED BOND S.r.l.	Conegliano	Conegliano	1	A.0	90.00	
A.8	MPS COVERED BOND 2 S.r.l.	Conegliano	Conegliano	1	A.0	90.00	
A.9	CIRENE FINANCE S.r.l.	Conegliano	Conegliano	1	A.0	60.00	
A.10	SIENA MORTGAGES 07-5 S.p.a.	Conegliano	Conegliano	2	A.0	7.00	
A.11	SIENA PMI 2016 S.r.l.	Conegliano	Conegliano	2	A.0	10.00	

(*) Type of relationship:

1 = majority of voting rights at ordinary shareholders' meetings

2 = other forms of control

(**) Votes available in the ordinary shareholders' meeting, distinguishing between actual and potential.

(***) the investee MPS Banque S.A. is classified as a discontinued operation pursuant to IFRS 5.

The Condensed Consolidated Half-Yearly Financial Statements include the balance sheet and income statement data of the Parent Company and its direct and indirect subsidiaries. In particular, the scope of consolidation, as specifically set out in the IAS/IFRS, includes all subsidiaries, irrespective of their legal status, of business activity pursued in sectors other than the Parent Company's core business, of their being going concerns or wound-up companies, or of whether the equity investment consists of a merchant banking transaction. The scope of consolidation includes all types of entities, regardless of nature, for which the concept of control introduced by IFRS 10 applies. Structured entities are also consolidated when the requirement of actual control recurs, even if there is no stake in the entity.

For further information on the methods of consolidation, reference should be made to the Notes to the Consolidated Financial Statements as at 31 December 2024, Part A "Accounting Policies".

The changes in the scope of consolidation compared with the situation as at 31 December 2024 are attributable to the deconsolidation of the subsidiary AIACE REOCO S.r.l., in which the Parent Company held 100% of the share capital, which was already in liquidation and was removed from the Companies Register on 18 June 2025.

As indicated in the 2024 Annual Financial Report, to which reference is made, the subsidiary Monte Paschi Banque S.A. has been classified, as of the 2024 Half-Year Financial Report, as a disposal entity (discontinued operations) pursuant to IFRS 5. In this regard, it is noted that on 6 June, the Comité Social et Économique ("CSE") issued its opinion on the proposed transaction. Subsequently, on 20 June 2025, the Parent Company signed the sale agreement for the disposal of the French subsidiary, with completion of the transaction expected by the end of 2025.

Income statement and balance sheet reclassification principles

The balance sheet and income statement are shown below in reclassified form according to management criteria in order to provide an indication of the Group's general performance based on economic and financial information that can be quickly and easily determined.

A disclosure is provided below on the aggregations and main reclassifications systematically performed with respect to the financial statements established by Circular no. 262/05. The breakdown of these aggregations and reclassifications are provided, with separate statements, in the annexes to this file, also in compliance with the requirements of Consob Communication no. 6064293 of 28 July 2006,

As indicated in the Annual Financial Report as at 31 December 2024, to which reference is made, the subsidiary Monte Paschi Banque S.A. (hereinafter "MP Banque") was classified, as of 30 June 2024, as a disposal group and was therefore measured on the basis of the expected sale price, which was lower than its net carrying amount, in accordance with IFRS 5. As at 30 June 2025, in order to ensure continuity with previously published commentary and to facilitate understanding of economic and financial performance relative to the corresponding comparative periods, the costs and revenues, as well as the assets and liabilities relating to the consolidated contribution of the subsidiary MP Banque, although classified as a disposal group under IFRS 5, have been included line by line within the relevant income statement and balance sheet items.

It should also be noted that, as from this Half-Year Financial Report, within the presentation of direct funding, the item "Bonds" also includes volumes related to bilateral funding transactions backed by own-issued securities, which were previously reported under other forms of direct funding. Comparative period data have been restated from those originally published at the respective reporting dates in order to allow for consistent comparison.

Lastly, note that the balance sheet and income statement figures for the first quarter of 2025 and the comparative figures for the first and third quarters of 2024 referring to the insurance associates AXA MPS Assicurazioni Danni S.p.A. and AXA MPS Assicurazioni Vita S.p.A., are estimated by them using proxies or simplified calculation models, given the greater onerous nature of the accounting calculations under IFRS 17 and IFRS 9 compared to the valuations made under the previous accounting standards IFRS 4 and IAS 39.

Income statement data

- The item "**Net interest income**" includes the balance of financial statement items 10 "Interest income and similar revenues" and 20 "Interest expense and similar charges", and the portion relating to the subsidiary MP Banque equal to EUR 12.2 mln recognised in item 320 "Profit (loss) after tax from discontinued operations".
- The item "**Net fees and commissions**" includes the balance of financial statement items 40 "Fee and commission income" and 50 "Fee and commission expense". The aggregate also includes the portion relating to the subsidiary MP Banque equal to EUR 4.1 mln, recognised under item 320 "Profit (loss) after tax from discontinued operations".
- The item "**Dividends, similar income and gains (losses) on investments**" incorporates financial statement item 70 "Dividends and similar income" and the relevant portion of profits from investments in associates, equivalent to EUR 32.7 mln, included in financial statement item 250 "Gains (losses) on investments". The aggregate is shown net of the dividends earned on equity securities other than equity investments (EUR -4.0 mln), reclassified in item "Net Profit from Trading, the Fair Value Measurement of Assets/Liabilities and Net Gains on Disposals/Repurchases".
- The item "**Net Profit from Trading, the Fair Value Measurement of Assets/Liabilities and Net Gains on Disposals/Repurchases**" includes the values of financial statement items 80 "Net Profit (Loss) from Trading", 100 "Gains (Losses) on Disposal/Repurchase", and 110 "Net Profit (Loss) from Other Financial Assets and Liabilities Measured at Fair Value through Profit or Loss", net of the contribution from loans to customers (EUR +0.1 mln) and securities deriving from sale/securitisation transactions of non-performing loans (EUR -15.2 mln) posted to the reclassified item "Cost of Customer Credit". This aggregate also incorporates values relating to dividends received on equity securities other than equity investments (EUR +4.0 mln) and the portion relating to the subsidiary MP Banque for EUR +0.1 mln recognised under Item 320 "Profit (Loss) after tax from discontinued operations".
- The item "**Net Profit from Hedging**" includes Item 90 "Net Profit from Hedging".
- The item "**Other operating income/expenses**" includes the balance of Item 230 "Other operating expenses/income" net of:
 - recovery of indirect taxes and duties and other expenses, which are now under the reclassified item "Other administrative expenses" (EUR 117.2 mln);

- recovery of training expenses, reclassified as decreases in “Personnel expenses” (EUR 0.7 mln) and “Other administrative expenses” (EUR 0.2 mln);
- other recoveries of personnel expenses, reclassified as a reduction of “Personnel expenses” (EUR 1.6 mln).
- The item **“Personnel expenses”** includes the balance of financial statement item 190a “Personnel expenses” minus charges of EUR 8.9 mln, related to early retirements or access to the Solidarity Fund, which were reclassified under “Restructuring costs/one-off charges”. The aggregate also includes the recovery of training costs (EUR 0.7 mln) and other recoveries of personnel expenses (EUR 1.6 mln) recorded in the financial statements under item 230 ‘Other operating expenses/income’ as well as the share of the cost relating to the subsidiary MP Banque amounting to EUR 4.8 mln, recorded under item 320 “Profit (Loss) from discontinued operations after tax”.
- The item **“Other Administrative Expenses”** includes the balance of item 190b “Other Administrative Expenses”, reduced by the following cost items:
 - DTA fee, convertible into tax credit, for an amount of EUR 28.7 mln (posted to the reclassified item “DTA Fee”);
 - expenses amounting to EUR 1.8 mln, relating to initiatives including the implementation of projects connected to the Industrial Plan;
 - expenses amounting to EUR 6.9 mln, relating to costs incurred in connection with the public exchange offer (OPS), reported under the reclassified item “Extraordinary transaction expenses”.

The item also incorporates indirect taxes and other expenses recovered from customers (EUR 117.2 mln), and the recovery of expenses incurred for training (EUR 0.2 mln) recorded in the financial statements under item 230 “Other operating expenses/income” as well as the portion of the cost relating to the subsidiary MP Banque for EUR 7.2 mln, recognised under item 320 “Profit (loss) after tax from discontinued operations”.

- The Item **“Net value adjustments to property, plant and equipment and intangible assets”** includes the values of the financial statement Items 210 “Net Value Adjustments/recoveries on property, plant and equipment” and 220 “Net Value Adjustments/recoveries on Intangible Assets”. Adjustments of EUR -0.5 mln referring to the closure of branches were separated from the aggregate, recognised under the reclassified item “Restructuring Costs/One-off Charges”. Also included is the portion of impairment losses relating to the subsidiary MP Banque for EUR -1.1 mln, recognised under item 320 “Profit (loss) after tax from discontinued operations”.
- Item **“Cost of Customer Credit”** includes the income statement components relating to loans to customers of financial statement items 110b “Net Profit (Loss) on Financial Assets and Liabilities mandatorily Measured at Fair Value” (EUR +0.1 mln), 130a “Net Impairment (Losses) Reversals for Credit Risk on Financial Assets Measured at Amortised Cost” (EUR -151.1 mln), 140 “Modification Gains/Losses” (EUR -4.6 mln) and 200a “Net Provisions for Risks and Charges - Commitments and Guarantees issued” (EUR -4.6 mln). The item also includes the income statement components relating to securities deriving from the transfer/securitisation of non-performing loans recognised in item 110b “Net result of other Financial assets mandatorily measured at fair value” (EUR -15.2 mln). The aggregate includes a net reversal of impairment (EUR +0.2 mln) and net writebacks on commitments and guarantees issued (EUR +0.1 mln) relating to the subsidiary MP Banque, recognised under item 320 “Profit (Loss) from discontinued operations, net of tax”.
- The item **“Net Impairment(losses)/reversals on securities and loans to bank”** includes the portion relating to securities (EUR +3.4 mln) and loans to banks (EUR -2.5 mln) of item 130a “Net impairment (losses)/reversals for credit risk of financial assets measured at amortised cost” and item 130b “Net impairment (losses)/reversals for credit risk of financial assets measured at fair value through other comprehensive income”.
- The item **“Other net provisions for risks and charges”** includes the balance of financial statement item 200 “Net provisions for risks and charges”, reduced by component relative to loans to customers of item 200a “Net provisions for risks and charges - commitments and guarantees given” (EUR -4.5 mln, of which EUR + 0.1 mln related to the subsidiary MP Banque S.A.), which was included in the specific item “Cost of customer credit”.
- The item **“Other gains (losses) on equity investments”** includes the balance of financial statement item 250 “Gains (losses) on equity investments”, cleared of EUR 32.7 mln as the portion of profit of the insurance associates, reclassified under “Dividends, similar income and gains (losses) on investments”.
- The item **“Restructuring Costs/One-off Charges”** includes the following amounts:
 - costs for EUR 8.9 mln relating to early retirements or access to the Solidarity Fund accounted for in financial statements item 190a “Personnel expenses”;
 - charges, equal to EUR 0.5 mln, relating to branch closures, recorded in item 210 “Net Value Adjustments/recoveries on property, plant and equipment”;
 - expenses amounting to EUR 1.8 mln relating to initiatives including the implementation of project activities connected to the Industrial Plan, recognised in the financial statements under item 190b “Administrative expenses”;

- expenses of EUR 4.0 mln included under item 320 "Profit (Loss) from discontinued operations, net of tax", relating to the valuation of MP Banque in accordance with IFRS 5. This amount offsets the positive contribution to Group profit from MP Banque, which has been reclassified under the relevant individual income statement items.
- The item "**Cost of extraordinary operations**" includes costs, equal to EUR 6.9 mln, incurred in relation to the public exchange offer (OPS) and accounted for in the balance sheet under item 190b "Other administrative expenses".
- The item "**Risks and charges associated with SRF, DGS and similar schemes**" includes charges related to contributions to deposit guarantee schemes, the deposit guarantee fund and the life insurance guarantee fund referred to in Law No. 213 of 30 December 2023, recorded under item 190b "Other administrative expenses". All components have a zero balance as of 30 June 2025.
- The item "**DTA fee**" includes charges relating to the fee on DTAs that can be converted into a tax credit recognised under item 190b "Other administrative expenses", for EUR 28.7 mln.
- The item "**Net Gains (Losses) on property, plant and equipment and Intangible Assets Measured at Fair Value**" includes the balance of financial statement item 260 "Net Gains (Losses) on property, plant and equipment and Intangible Assets Measured at Fair Value".
- Item "**Gains (Losses) on Disposal of Investments**" includes the balance of financial statement item 280 "Gains (Losses) on Disposal of Investments".
- The item "**Income tax for the period**" includes the balance of item 300 "Income tax for the period from current operations" and the portion relating to the subsidiary MP Banque for EUR +0.2 mln recognised in item 320 "Profit (Loss) after tax from discontinued operations".
- The item "**Profit (loss) after tax from discontinued operations**" includes the balance of item 320 "Profit (loss) after tax from discontinued operations" (equal to EUR -0.1 mln). Specifically, the amount of Euro -4.0 mln relating to the valuation of MP Banque under IFRS 5 was reclassified under "Restructuring costs / One-off charges", and the amount of EUR 3.9 mln, referring to the subsidiary's profit for the period, was reallocated to the relevant income statement items.
- The "**Profit (loss) for the period**" includes the balance of item 330 "**Profit (loss) for the period**".

Balance sheet data

- The asset item "**Cash and cash equivalents**" includes item 10 "Cash and cash equivalents", supplemented by the portion of the subsidiary MP Banque for EUR 824.0 mln, recognised in item 120 "Non-current assets held for sale and disposal groups".
- The asset item "**Loans to Central Banks**" includes the portion relating to operations with central banks of financial statement item 40 "Financial assets measured at amortised cost". The aggregate also incorporates the portion referring to the subsidiary MP Banque, equal to EUR 1.4 mln and recognised under item 120 "Non-current assets held for sale and disposal groups".
- asset item "**Loans to banks**" includes the portion relating to operations with banks of item 40 "Financial assets measured at amortised cost" and item 20 "Financial assets measured at fair value through profit or loss". The aggregate also incorporates the portion referring to the subsidiary MP Banque, equal to EUR 0.6 mln and recognised under item 120 "Non-current assets held for sale and disposal groups".
- Asset item "**Loans to Customers**" includes the portion relating to loans to customers in item 20 "Financial assets measured at fair value through profit or loss", item 40 "Financial assets measured at amortised cost", including EUR 292.2 mln recognised in item 120 "Non-current assets held for sale and disposal groups", of which EUR 206.1 mln referring to the subsidiary MP Banque.
- The asset item "**Securities assets**" includes the portion relating to securities in item 20 "Financial Assets measured at fair value through profit or loss", item 30 "Financial assets measured at fair value through other comprehensive income" and item 40 "Financial assets measured at amortised cost". The aggregate also incorporates the portion equal to EUR 0.9 mln recognised under item 120 "Non-current assets held for sale and disposal groups".
- The asset item "**Derivatives**" includes the portion relating to derivatives of financial statement items 20 "Financial Assets Measured at Fair Value through Profit or Loss" and 50 "Hedging Derivatives".
- The asset item "**Equity investments**" includes item 70 "Equity investments".
- Asset item "**Property, plant and equipment and intangible assets**" includes item 90 "property, plant and equipment", item 100 "Intangible assets" and the amounts totalling EUR 46.1 mln relating to property, plant and equipment and

intangible assets in item 120 “Non-current assets held for sale and disposal groups”, of which EUR 15.6 mln refer to the subsidiary MP Banque.

- Asset item “**Tax assets**” includes item 110 “Tax assets” and the portion relating to the subsidiary MP Banque, equal to EUR 1.0 mln, recognised under item 120 “Non-current assets held for sale and disposal groups”.
- Asset item “**Other assets**” includes item 60 “Change in value of macro-hedged financial assets”, item 130 “Other assets”, and the amounts in item 120 “Non-current assets held for sale and disposal groups” not included in the previous items and amounting to EUR 9.7 mln, all of which referring to the subsidiary MP Banque.
- The liability item “**Due to customers**” includes balance sheet item 10b “Financial liabilities measured at amortised cost – due to customers,” the component relating to customer securities under balance sheet item 10c “Financial liabilities measured at amortised cost – securities in issue,” and the amount under item 70 “Liabilities associated with non-current assets held for sale,” equal to EUR 899.9 mln, entirely attributable to the subsidiary MP Banque.
- Liability item “**Securities Issued**” includes financial statement item 10c “Financial Liabilities Measured at Amortised Cost - Debt Securities Issued”, excluding the component relating to customer securities, and item 30 “Financial Liabilities designated at Fair Value”.
- The liability item “**Due to central banks**” includes the portion of item 10a “Financial liabilities measured at amortised cost - Due to banks” relating to operations with central banks.
- Liability item “**Due to banks**” includes the portion of item 10a “Financial liabilities measured at amortised cost - due to banks” relating to operations with banks (excluding central banks) and amounts in item 70 “Liabilities associated with disposal groups” for EUR 0.5 mln referring entirely to the subsidiary MP Banque.
- The liability item “**On-Balance-Sheet Financial Liabilities Held for Trading**” includes the portion of financial statement item 20 “Financial Liabilities Held for Trading” net of the amounts relating to derivatives for trading.
- The liability item “**Derivatives**” includes financial statement item 40 “Hedging Derivatives” and the portion related to derivatives in financial statement item 20 “Financial Liabilities Held for Trading”.
- Liability item “**Provision for specific use**” includes item 90 “Employee severance indemnities”, item 100 “Provisions for risks and charges” and the amounts in item 70 “Liabilities associated with assets held for sale” equal to EUR 2.9 mln and referring entirely to the subsidiary MP Banque.
- Liability item “**Tax liabilities**” includes item 60 “Tax liabilities” and the amount in item 70 “Liabilities associated with assets held for sale” equal to EUR +1.0 mln, entirely attributable to the subsidiary MP Banque.
- Liability item “**Other liabilities**” includes item 50 “Change in value of macro-hedged financial liabilities”, item 80 “Other liabilities” and amounts in item 70 “Liabilities associated with disposal groups” not restated under previous items (totalling EUR 34.2 mln and referring entirely to the subsidiary MP Banque).
- Liability item “**Group Net equity**” includes item 120 “Valuation reserves”, item 150 “Reserves”, item 170 “Share Capital”, item 200 “Profit (loss) for the period”.

Reclassified income statement

Recalssified Consolidated Income Statement				
MONTEPASCHI GROUP	30 06 2025	30 06 2024	Change	
			Abs.	%
Net interest income	1,094.1	1,172.2	(78.1)	-6.7%
Net fee and commission income	802.5	735.8	66.7	9.1%
Income from banking activities	1,896.6	1,908.0	(11.4)	-0.6%
Dividends, similar income and gains (losses) on investments	41.6	40.2	1.4	3.5%
Net profit (loss) from trading the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	113.2	74.8	38.4	51.3%
Net profit (loss) from hedging	(0.5)	1.6	(2.1)	n.m.
Other operating income (expenses)	3.2	6.1	(2.9)	-47.5%
Total Revenues	2,054.0	2,030.7	23.3	1.1%
Administrative expenses:	(863.8)	(840.6)	(23.2)	2.8%
a) personnel expenses	(640.4)	(608.2)	(32.2)	5.3%
b) other administrative expenses	(223.4)	(232.4)	9.0	-3.9%
Net value adjustments to property, plant and equipment and intangible assets	(79.2)	(84.4)	5.2	-6.2%
Operating expenses	(943.0)	(924.9)	(18.1)	2.0%
Pre-Provision Operating Profit	1,111.0	1,105.8	5.2	0.5%
Cost of customer credit	(175.1)	(204.0)	28.9	-14.2%
Net impairment (losses)/reversals on securities and loans to banks	0.2	(4.7)	4.9	n.m.
Net operating income	936.1	897.1	39.0	4.3%
Other net provisions for risks and charges	(25.8)	(14.8)	(11.0)	74.3%
Other gains (losses) on equity investments	-	(3.8)	3.8	n.m.
Restructuring costs/One-off costs	(15.1)	(41.4)	26.3	-63.5%
Cost of extraordinary operations	(6.9)	-	(6.9)	n.m.
Risks and charges associated to the SRF, DGS and similar schemes	-	(75.4)	75.4	n.m.
DTA Fee	(28.7)	(30.6)	1.9	-6.2%
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(2.7)	(19.3)	16.6	-86.0%
Gains (losses) on disposal of investments	-	(6.0)	6.0	n.m.
Profit (Loss) for the period before tax	856.8	705.8	151.0	21.4%
Income tax for the period	35.5	453.3	(417.8)	-92.2%
Profit (Loss) after tax	892.3	1,159.1	(266.8)	-23.0%
Net profit (loss) for the period	892.3	1,159.1	(266.8)	-23.0%
Net profit (loss) attributable to non-controlling interests	(0.1)	(0.1)	-	0.0%
Parent company's net profit (loss) for the period	892.4	1,159.2	(266.8)	-23.0%

Quarterly trend in reclassified consolidated income statement						
MONTEPASCHI GROUP	2025		2024			
	2 ^Q 2025	1 ^Q 2025	4 ^Q 2024	3 ^Q 2024	2 ^Q 2024	1 ^Q 2024
Net interest income	551.1	543.0	588.0	595.6	585.2	587.0
Net fee and commission income	404.6	397.9	373.5	356.0	370.5	365.3
Income from banking activities	955.7	940.9	961.5	951.6	955.7	952.3
Dividends, similar income and gains (losses) on investments	25.4	16.1	25.7	26.8	21.2	19.0
Net profit (loss) from trading the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	63.6	49.6	14.8	25.6	40.3	34.4
Net profit (loss) from hedging	(1.0)	0.5	(0.3)	(2.3)	2.0	(0.4)
Other operating income (expenses)	3.1	0.1	(5.3)	4.9	(1.3)	7.4
Total Revenues	1,046.8	1,007.3	996.3	1,006.7	1,017.9	1,012.8
Administrative expenses:	(430.1)	(433.7)	(432.2)	(425.1)	(420.9)	(419.7)
a) personnel expenses	(319.1)	(321.3)	(311.1)	(309.5)	(303.6)	(304.6)
b) other administrative expenses	(111.0)	(112.4)	(121.1)	(115.6)	(117.3)	(115.1)
Net value adjustments to property, plant and equipment and intangible assets	(40.8)	(38.4)	(44.6)	(42.3)	(42.0)	(42.4)
Operating expenses	(470.9)	(472.1)	(476.8)	(467.4)	(462.9)	(462.0)
Pre-Provision Operating Profit	575.8	535.2	519.5	539.3	555.0	550.8
Cost of customer credit	(84.1)	(91.0)	(109.3)	(96.3)	(98.3)	(105.7)
Net impairment (losses)/reversals on securities and loans to banks	(3.4)	3.6	(1.1)	(0.9)	(3.9)	(0.8)
Net operating income	488.3	447.7	409.2	442.2	452.8	444.3
Other net provisions for risks and charges	(1.1)	(24.7)	(31.9)	(21.7)	(10.8)	(4.0)
Other gains (losses) on equity investments	-	-	2.8	0.0	(3.8)	0.0
Restructuring costs / One-off costs	(8.5)	(6.7)	(14.2)	(16.5)	(33.7)	(7.7)
Cost of extraordinary operations	(0.3)	(6.6)	-	-	-	-
Risks and charges associated to the SRF, DGS and similar schemes	-	-	(2.2)	0.1	(0.4)	(75.0)
DTA Fee	(14.3)	(14.4)	(15.3)	(15.3)	(15.3)	(15.3)
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(4.7)	2.0	(9.1)	1.0	(19.3)	-
Gains (losses) on disposal of investments	-	-	8.9	0.8	0.1	(6.1)
Profit (Loss) for the period before tax	459.5	397.3	348.2	390.5	369.6	336.2
Income tax for the period	19.7	15.8	36.6	16.2	456.8	(3.5)
Profit (Loss) after tax	479.2	413.1	384.8	406.7	826.4	332.7
Net profit (loss) for the period	479.2	413.1	384.8	406.7	826.4	332.7
Net profit (loss) attributable to non-controlling interests	(0.1)	-	(0.1)	-	(0.1)	-
Parent company's net profit (loss) for the period	479.3	413.1	384.9	406.7	826.5	332.7

Revenue trends

As at 30 June 2025, the Group achieved total **Revenues of EUR 2,054 mln**, up 1.1% compared to the same period of last year.

This trend was mainly driven by growth in Net Fee and Commission Income (+9.1%) and Other Income from Banking Business (+32.2%), which more than offset the trend in Net Interest Income (-6.7%), which in the first half of 2024 had benefited from higher interest rate levels, and the reduction in Other Operating Income and Expenses.

Revenues in the second quarter of 2025, totalling EUR 1,047 mln, increased compared to the previous quarter (+3.9%), supported by positive trends across all components, particularly Net Interest Income (+1.5%), Net Fee and Commission Income (+1.7%), and Other Income from Banking Business (+32.8%).

For the presentation of revenue by each of the operating segments identified in accordance with IFRS 8, reference should be made to the "Results by Operating Segment" chapter of this Half-Year Financial Report.

Net Interest Income **as at 30 June 2025 amounted to** EUR 1,094 mln, down compared to the same period in 2024 (-6.7%, or EUR -78.1 mln). Net interest income on customer transactions was affected by the ECB's interest rate cuts, only partially offset by lower interest expenses on outstanding securities (EUR -16.2 mln). These benefited from a lower cost of institutional funding, reflecting maturities and other initiatives under the Funding Plan, whose effects were only partly offset by new issues.

Net Interest Income for the second quarter of 2025 increased compared to the previous quarter (+1.5%, equal to EUR +8.1 mln) also thanks to the effective management of commercial funding costs and growth in average lending volumes which more than offset the impact of lower interest rates.

Items	30 06 2025	30 06 2024	Change Y/Y		2 Q 2025	1 Q 2025	Change Q/Q	
			Abs.	%			Abs.	%
Loans to customers measured at amortised cost	936.8	1,049.4	(112.6)	-10.7%	477.4	459.4	18.0	3.9%
Loans to Banks measured at amortised cost	30.0	53.5	(23.5)	-43.9%	11.5	18.5	(7.0)	-37.8%
Loans to Central Banks	65.4	66.8	(1.4)	-2.1%	30.3	35.1	(4.8)	-13.7%
Government securities and other non-bank issuers at amortised cost	141.5	132.5	9.0	6.8%	68.7	72.8	(4.1)	-5.6%
Securities issued	(222.2)	(238.4)	16.2	-6.8%	(112.7)	(109.5)	(3.2)	2.9%
Hedging derivatives	13.3	5.4	7.9	n.m.	10.5	2.8	7.7	n.m.
Trading portfolios	50.4	25.7	24.7	96.1%	26.9	23.5	3.4	14.5%
Portfolios measured at fair value	4.6	3.7	0.9	24.3%	2.6	2.0	0.6	30.0%
Financial assets measured at fair value through other comprehensive income	19.6	21.0	(1.4)	-6.7%	9.5	10.1	(0.6)	-5.9%
Other financial assets and liabilities	54.7	52.6	2.1	4.0%	26.4	28.3	(1.9)	-6.7%
Net interest income	1,094.1	1,172.2	(78.1)	-6.7%	551.1	543.0	8.1	1.5%
<i>of which: interest income on impaired financial assets</i>	<i>42.6</i>	<i>50.7</i>	<i>(8.1)</i>	<i>-16.0%</i>	<i>20.9</i>	<i>21.7</i>	<i>(0.8)</i>	<i>-3.7%</i>

Net fee and commission income as at 30 June 2025, **totalling EUR 803 mln**, recorded an increase compared to the same period of the previous year (+9.1%, equal to EUR +66.7 mln). A positive performance was recorded in both management/brokerage and advisory activities (+13.8%, equal to EUR +50.2 mln) and in commercial banking (+4.4%, equal to EUR +16.4 mln). In detail, within the first commission-related area, there was an increase in the contribution from portfolio management and distribution activities (EUR +41.8 mln), from securities and currency brokerage and placement (EUR +5.0 mln), from insurance product distribution (EUR +3.3 mln), and from other brokerage/management and advisory commissions (EUR +2.4 mln). In the commercial banking area, positive contributions came from commission income on loans (EUR +10.1 mln), on ATM and credit card service (EUR +4.1 mln), on guarantees (EUR +3.9 mln), and other net commissions (EUR +2.8 mln). On the other hand, commissions on current accounts (EUR -3.0 mln) and commissions on collection and payment services (EUR -1.5 mln), were down. The result for the second quarter of the 2025 financial year was higher than in the previous quarter (+1.7%, equal to EUR +6.7 mln), driven by the combined effect of increased income from commercial banking activities (+9.9%, equal to EUR +18.4 mln) and a decline in the

management, brokerage and advisory activities (-5.5%, equal to EUR -11.7 mln), mainly related to income from securities and currency brokerage and placement.

Services/Amounts	30 06 2025	30 06 2024	Change Y/Y		2 Q 2025	1 Q 2025	Change Q/Q	
			Abs.	%			Abs.	%
Loans	132.8	122.7	10.1	8.2%	68.6	64.2	4.4	6.9%
Current accounts	105.1	108.1	(3.0)	-2.8%	52.6	52.5	0.1	0.2%
Collection and payment services	58.7	60.2	(1.5)	-2.5%	29.1	29.5	(0.4)	-1.4%
ATM and credit card services	46.1	42.0	4.1	9.8%	28.6	17.5	11.1	63.4%
Guarantees issued and received	18.7	14.8	3.9	26.4%	9.5	9.1	0.4	4.4%
Other net fee and commission income	26.9	24.1	2.8	11.6%	14.9	12.1	2.8	23.1%
Commercial banking activities	388.4	372.0	16.4	4.4%	203.4	185.0	18.4	9.9%
Portfolio management	275.2	233.4	41.8	17.9%	136.5	138.7	(2.2)	-1.6%
Distribution of insurance products	111.0	107.7	3.3	3.1%	56.3	54.8	1.5	2.7%
Financial advisors	(32.5)	(30.2)	(2.3)	7.6%	(15.9)	(16.5)	0.6	-3.6%
Securities and currency brokerage and placement	45.2	40.2	5.0	12.4%	17.4	27.8	(10.4)	-37.4%
Other brokerage/management and advisory fees and commissions	15.2	12.8	2.4	18.8%	7.0	8.2	(1.2)	-14.6%
Brokerage/management and advisory activities	414.1	363.9	50.2	13.8%	201.2	212.9	(11.7)	-5.5%
Net fee and commission income	802.5	735.8	66.7	9.1%	404.6	397.9	6.7	1.7%

The opening balances of fee and commission income for each operating segment identified are indicated below.

SEGMENT REPORTING	Commercial segments					Total Montepaschi Group
	Retail Banking	Wealth Management	Corporate Banking	Large Corporate & Investment Banking	Corporate Center	
	30/06/25	30/06/25	30/06/25	30/06/25	30/06/25	
Commercial banking activity	227,078	6,320	195,825	34,380	5,243	468,846
Brokerage, management and advisory activities	358,711	60,128	14,378	10,844	10,294	454,354
Fee and commission income	585,790	66,448	210,203	45,224	15,536	923,200

Of the Group's **Fee and commission income** referring to the commercial segments, 51.1% derives from traditional banking business and 48.9% from management/brokerage and advisory activities.

Specifically, of the fee and commission income generated by commercial banking activity, 49.0% was from Retail banking, 42.2% from Corporate banking, 7.4% from Large Corporate & Investment banking and 1.4% from Wealth Management.

As regards management/brokerage and advisory activities, on the other hand, Retail banking accounted for 80.8%, Wealth Management for 13.5%, Corporate banking for 3.2% and Large Corporate & Investment banking for 2.4%.

Dividends, similar income and gains (losses) on equity investments amounted to **EUR 42 mln**, up by EUR 1.4 mln compared to 30 June 2024, thanks to the increased contribution from insurance associates, partially offset by lower dividends from UCITS and non-associate equity investments. The result for the second quarter of 2025, amounting to EUR 25 mln, also increased compared with the previous quarter (EUR +9.3 mln), mainly due to dividends received from the Bank of Italy in April 2025 (EUR +7.1 mln).

Net profit from trading, the fair value measurements of assets/liabilities and net gains on disposals/repurchases amounted to **EUR 113 mln** as at 30 June 2025, an increase of EUR 38.4 mln compared to the same period of the previous

year. Performance in the second quarter of 2025 also improved compared with the previous quarter (EUR +14.0 mln). The analysis of the main aggregates shows the following:

- **Net profit from trading** was **EUR 70 mln**, compared to EUR 83 mln in the first half of 2024 (EUR -12.3 mln), which had also included the positive effects resulting from the early closure of certain hedge accounting positions under the interest margin stabilisation strategy. The contribution for the second quarter of 2025 was EUR 33 mln, slightly lower than the result for the previous quarter (EUR 37 mln).
- **Net profit from other assets/liabilities measured at fair value through profit or loss** amounted to **EUR +5 mln**, up compared to the same period of the previous year (EUR +1.2 mln). The contribution for the second quarter of 2025, amounting to EUR +4 mln, increased compared to the previous quarter (EUR +3.6 mln).
- **Gains from disposals/repurchases** (excluding loans to customers at amortised cost) amounted to **EUR 38 mln**, compared to a loss of EUR 12 mln as at 30 June 2024, thanks to net gains achieved as part of financial portfolio optimisation strategies. The comparison with the previous quarter also highlights a positive trend, with a growth of EUR 14.8 mln.

Items	30 06 2025	30 06 2024	Change Y/Y		2 Q 2025	1 Q 2025	Change Q/Q	
			Abs.	%			Abs.	%
Financial assets held for trading	29.6	4.2	25.4	n.m.	51.6	(21.9)	73.5	n.m.
Financial liabilities held for trading	(9.0)	24.9	(33.9)	n.m.	(21.6)	12.6	(34.2)	n.m.
Exchange rate effects	16.9	6.2	10.7	n.m.	11.9	5.0	6.9	n.m.
Derivatives	32.8	47.3	(14.5)	-30.7%	(8.9)	41.7	(50.6)	n.m.
Net profit from trading	70.3	82.6	(12.3)	-14.9%	33.0	37.4	(4.4)	-11.8%
Net profit from other financial assets and liabilities measured at fair value through profit or loss	5.0	3.8	1.2	31.6%	4.3	0.7	3.6	n.m.
Disposal/repurchase (excluding loans to customers measured at amortised cost)	37.9	(11.6)	49.5	n.m.	26.3	11.5	14.8	n.m.
Net profit from trading, the fair value measurement of assets/liabilities and Net gains on disposals/repurchases	113.2	74.8	38.4	51.3%	63.6	49.6	14.0	28.2%

The following items are also included in Revenues:

- **The net profit (loss) from hedging** was **EUR -1 mln**, compared to EUR 2 mln achieved in the same period of the previous year. The contribution for the second quarter of 2025 amounted to EUR -1 mln (compared to EUR +1 mln in the previous quarter).
- **Other operating income/expenses** amounted to **EUR +3 mln**, compared to EUR +6 mln recorded in the first half of 2024. The contribution for the second quarter of 2025 amounted to EUR +3 mln (the contribution in the previous quarter was essentially nil).

Operating expenses

At 30 June 2025, **Operating Expenses** amounted to **EUR 943 mln**, an increase compared to the first half of 2024 (+2.0%, equal to EUR 18.1 mln), mainly due to the impact of the renewal of the national collective labour agreement (CCNL) for banking staff on personnel expenses, partially offset by the effects of efficient management of other administrative expenses; the contribution for the second quarter of 2025 was essentially stable compared to the previous quarter (-0.3%). A closer look at the individual aggregates reveals the following:

- **Administrative expenses** amounted to **EUR 864 mln**, increasing compared to the first half of 2024 (+2.8%), with a contribution for the second quarter of 2025 slightly down compared to the previous quarter (-0.8%). A breakdown of the aggregate shows:
 - Personnel expenses, which amounted to EUR 640 mln, rose compared to the same period of the previous year (+5.3%), mainly due to the costs associated with the second and third wage increases under the renewed national collective labour agreement (CCNL) for banking staff (effective from 1 September 2024 and 1 June 2025, respectively), and to higher provisions for the variable remuneration component, in line with the 2024-2028 Strategic Plan. The result for the quarter, equal to EUR 319.1 mln, improved compared to the previous quarter (-0.7%, equal to EUR 2.2 mln).
 - **Other Administrative Expenses**, which amounted to **EUR 223 mln**, decreased compared to 30 June 2024 (-3.9%), also due to the full implementation of a rigorous cost governance process and a focus on cost-optimisation initiatives. The contribution for the second quarter of 2025, amounting to EUR 111 mln, was also slightly lower than in the previous quarter (-1.2%).
- **Net adjustments on property, plant and equipment and intangible assets** amounted to **EUR 79 mln** as at 30 June 2025, down compared to the amount recognised as at 30 June 2024 (-6.2%); the contribution for the second quarter of 2025 was EUR -41 mln (contribution of EUR +38 mln in the previous quarter).

Type of transaction	30 06 2025	30 06 2024	Change Y/Y		2 Q 2025	1 Q 2025	Change. Q/Q	
			Abs.	%			Abs.	%
Wages and salaries	(450.6)	(431.1)	(19.5)	4.5%	(222.5)	(228.1)	5.6	-2.5%
Social-welfare charges	(122.3)	(116.8)	(5.5)	4.7%	(60.1)	(62.2)	2.1	-3.4%
Other personnel expenses	(67.5)	(60.3)	(7.2)	11.9%	(36.5)	(31.0)	(5.5)	17.7%
Personnel expenses	(640.4)	(608.2)	(32.2)	5.3%	(319.1)	(321.3)	2.2	-0.7%
Taxes	(117.6)	(105.0)	(12.6)	12.0%	(60.8)	(56.8)	(4.0)	7.0%
Furnishing, real estate and security expenses	(37.3)	(40.0)	2.7	-6.8%	(15.4)	(21.9)	6.5	-29.7%
General operating expenses	(79.7)	(83.6)	3.9	-4.7%	(39.0)	(40.7)	1.7	-4.2%
Information technology expenses	(56.2)	(60.2)	4.0	-6.6%	(28.7)	(27.5)	(1.2)	4.4%
Legal and professional expenses	(28.4)	(28.3)	(0.1)	0.4%	(13.6)	(14.7)	1.1	-7.5%
Indirect personnel costs	(2.9)	(2.6)	(0.3)	11.5%	(1.5)	(1.4)	(0.1)	7.1%
Insurance	(7.2)	(7.4)	0.2	-2.7%	(3.1)	(4.1)	1.0	-24.4%
Advertising, sponsorship and promotions	(1.5)	(1.1)	(0.4)	36.4%	(0.8)	(0.7)	(0.1)	14.3%
Other	(10.1)	(6.3)	(3.8)	60.3%	(7.9)	(2.2)	(5.7)	n.m.
Expenses recovery	117.4	102.1	15.3	15.0%	59.8	57.6	2.2	3.8%
Other administrative expenses	(223.4)	(232.4)	9.0	-3.9%	(111.0)	(112.4)	1.4	-1.2%
Property, plant and equipment	(46.2)	(51.1)	4.9	-9.6%	(23.4)	(22.8)	(0.6)	2.6%
Intangible assets	(33.0)	(33.3)	0.3	-0.9%	(17.4)	(15.6)	(1.8)	11.5%
Net value adjustments to property, plant and equipment and intangible assets	(79.2)	(84.4)	5.2	-6.2%	(40.8)	(38.4)	(2.4)	6.3%
Operating expenses	(943.0)	(924.9)	(18.1)	2.0%	(470.9)	(472.1)	1.2	-0.3%

As a result of these trends, the Group's Gross Operating Income amounted to EUR 1,111 mln, up compared to 30 June 2024 (EUR 1,106 mln). The contribution for the second quarter of 2025, amounting to EUR 576 mln, increased by 7.6% compared to the previous quarter (EUR 535 mln).

Cost of Customer Credit

As at 30 June 2025, the Group recorded a **Cost of Customer Credit of EUR 175 mln**, down from EUR 204 mln in the same period of the previous year, mainly due to lower inflows from performing to non-performing exposures. The Cost of Customer Credit for the second quarter of 2025, amounting to EUR 84 mln, was lower than EUR 91 mln recorded in the previous quarter, mainly due to an improvement in the quality of performing loans (lower stage 2) and higher cure flows observed in the second quarter.

As at 30 June 2025, the **Provisioning Ratio**, expressed as the ratio between the annualised cost of customer credit and the sum of customer loans and the value of securities arising from the disposal/securitisation of non-performing loans, showed an improving trend, standing at **43 bps** (46 bps as at 31 March 2025 and 53 bps as at 31 December 2024).

Items	30 06 2025	30 06 2024	Change Y/Y		2 Q 2025	1 Q 2025	Change Q/Q	
			Abs.	%			Abs.	%
Loans to customers measured at amortised cost	(166.1)	(223.7)	57.6	-25.7%	(76.3)	(89.8)	13.5	-15.0%
Modification gains/(losses)	(4.6)	(4.9)	0.3	-6.1%	(3.6)	(1.0)	(2.6)	n.m.
Gains/(losses) on disposal/repurchase of loans to customers measured at amortised cost	-	0.8	(0.8)	100.0%	-	-	-	
Net change in the value of loans to customers mandatorily measured at fair value	0.1	(1.0)	1.1	n.m.	0.8	(0.7)	1.5	n.m.
Net provisions on commitments and guarantees issued	(4.5)	24.8	(29.3)	n.m.	(5.0)	0.5	(5.5)	n.m.
Cost of customer credit	(175.1)	(204.0)	28.9	-14.2%	(84.1)	(91.0)	6.9	-7.6%

The Group's **Net Operating Income** as at 30 June 2025 amounted to **EUR 936 mln**, an increase compared to the result of EUR 897 mln recorded in the first half of 2024. The contribution for the second quarter of 2025, amounting to EUR 488 mln, increased compared to EUR 448 mln recorded in the previous quarter.

Non-operating income, tax and net profit (loss) for the year

The **Profit (Loss) for the Period** included the following items:

- **Other net provisions to the risks and charges fund** totalled **EUR -26 mln** as at 30 June 2025, compared to EUR -15 mln recorded in the same period of the previous year. The contribution for the second quarter of 2025 amounted to EUR -1 mln, compared to EUR -25 mln in the previous quarter.
- **Other gains (losses) on investments** were nil in both quarters of 2025, compared to EUR -4 mln as at 30 June 2024.
- **Restructuring charges/one-off costs** amounted to **EUR -15 mln**, compared to EUR -41 mln in the first half of 2024. These charges include, in particular, the effect of the discounting of expenses related to departures through voluntary redundancy schemes or access to the Solidarity Fund, the impact arising from the valuation of the subsidiary MP Banque in accordance with IFRS 5 and charges related to project initiatives connected with the Industrial Plan. The contribution for the quarter amounted to -EUR 8 mln, compared with -EUR 7 mln in the previous quarter.
- **Extraordinary transaction charges** amounted to **EUR -7 mln**, including costs – mostly recognised in the first quarter of 2025 – incurred in connection with the public exchange offer (OPS) announced in January 2025.

- **Risks and charges related to the SRF, DGS and similar schemes** amounted to nil as at 30 June 2025⁸. In the first half of 2024, this item had included charges of EUR 75 mln, related to the contribution paid to the deposit guarantee scheme (DGS) for the Italian banks within the Group.
- The **DTA fee** amounted to **EUR -29 mln**, compared to EUR -31 mln recorded in the same period of the previous year; the contribution for the second quarter of 2025, equal to EUR -14 mln, was in line with the previous quarter. This amount, determined according to the criteria set forth in Italian Law Decree 59/2016, converted into Law no. 119 of 30 June 2016, represents the fee as at 30 June 2025 on DTAs (Deferred Tax Assets) that can be converted into a tax credit.
- **The result from fair value measurement of property, plant and equipment and intangible assets** amounted to **EUR -3 mln**, an improvement on the EUR -19 mln reported in the first half of 2024. The result for the second quarter of 2025, equal to EUR -5 mln, reflected the semi-annual update of property valuations, while the contribution for the previous quarter (EUR +2 mln) was due to the measurement of certain property investments at expected sale price.
- **Gains (Losses) on the disposal of investments** were nil in both quarters of 2025, compared to EUR -6 mln in the first half of 2024.

As a result of the above dynamics, the Group's profit for the period before tax amounted to EUR 857 mln, up EUR 151 mln compared to the pre-tax profit of EUR 706 mln recorded in the corresponding period of 2024. The result for the second quarter of 2025 was EUR 460 mln, up EUR 62 mln compared to the previous quarter.

Income taxes for the period recorded a positive contribution of **EUR 36 mln**, mainly attributable to the revaluation of DTAs, net of taxes relating to the results for the half-year. The contribution as at 30 June 2024, amounting to EUR +453 mln, included the effect on the revaluation of DTAs of the update to the Group's income projections based on the 2024-2028 Industrial Plan.

As a result of the dynamics described above, the profit for the period attributable to the Parent Company amounted to EUR 892 mln as at 30 June 2025, compared to a profit of EUR 1,159 mln recorded in the first half of 2024. The result for the second quarter, equal to EUR 479 mln, was up compared to the previous quarter (EUR 413 mln).

In compliance with Consob instructions, following is a statement of the reconciliation of the Shareholders' equity and Net profit and loss for the period of the Parent Company with the consolidated items:

Reconciliation between Parent Company and Consolidated Net Equity and Profit (Loss) for the period		
	Shareholders' equity	Profit (loss) for the period
Balance as per the Parent Company financial statements	11,095.3	882.8
<i>of which valuation reserves of the Parent Company</i>	<i>58.1</i>	
Effect of the consolidation of subsidiaries	9.6	9.0
Effect of the consolidation of jointly controlled and associated companies	155.2	32.7
reversal of dividends collected during the period from subsidiaries	-	(30.1)
reversal of write-downs of equity investments	192.0	-
other adjustments	9.4	(2.1)
Subsidiaries' and associates' valuation reserves	8.8	-
Consolidated financial statements	11,470.3	892.4
<i>of which valuation reserves</i>	<i>66.9</i>	

⁸ With reference to the annual contribution due to the Single Resolution Fund, the Single Resolution Board (SRB) announced that in 2025, similarly to 2024, no contribution to the system will be required, except for specific needs; the Interbank Deposit Protection Fund (FITD) reached the target level by 3 July 2024, therefore during 2025 it will assess whether the available financial means have fallen below the target level and, following this examination, will possibly proceed to collect further contributions; finally, with reference to the Life Insurance Guarantee Fund, it should be noted that the Fund's Articles of Association are being prepared, which will contain, among other things, the detailed rules regarding the contributions due.

Reclassified balance sheet

The (i) reclassified balance sheet as at 30 June 2025 compared with the balances in the financial statements as at 31 December 2024 and (ii) the statement of its quarterly evolution starting from the first quarter of the previous year are provided below.

Reclassified Consolidated Balance Sheet				
Assets	30 06 2025	31 12 2024	Change	
			abs.	%
Cash and cash equivalents	12,618.3	14,029.9	(1,411.6)	-10.1%
Loans to central banks	643.9	565.5	78.4	13.9%
Loans to banks	1,716.3	2,068.3	(352.0)	-17.0%
Loans to customers	80,530.0	77,309.6	3,220.4	4.2%
Securities assets	18,966.7	17,447.4	1,519.3	8.7%
Derivatives	2,729.0	2,406.4	322.6	13.4%
Equity investments	673.6	672.3	1.3	0.2%
Property, plant and equipment/Intangible assets	2,251.1	2,297.7	(46.6)	-2.0%
<i>of which: goodwill</i>	7.9	7.9	-	0.0%
Tax assets	2,660.7	2,538.0	122.7	4.8%
Other assets	2,784.5	3,266.6	(482.1)	-14.8%
Total assets	125,574.1	122,601.7	2,972.4	2.4%
Liabilities				
Liabilities	30 06 2025	31 12 2024	Change	
			abs.	%
Direct funding	94,508.6	93,971.9	536.7	0.6%
a) Due to customers	84,228.4	83,544.3	684.1	0.8%
b) Securities issued	10,280.2	10,427.6	(147.4)	-1.4%
Due to central banks	8,008.5	8,510.9	(502.4)	-5.9%
Due to banks	2,250.4	1,301.0	949.4	73.0%
On-balance-sheet financial liabilities held for trading	2,234.0	1,617.9	616.1	38.1%
Derivatives	1,382.4	1,346.2	36.2	2.7%
Provisions for specific use	972.2	1,006.7	(34.5)	-3.4%
a) Provision for staff severance indemnities	72.0	72.4	(0.4)	-0.6%
b) Provision related to guarantees and other commitments given	154.4	149.9	4.5	3.0%
c) Pension and other post-retirement benefit obligations	3.2	3.3	(0.1)	-3.0%
d) Other provisions	742.6	781.1	(38.5)	-4.9%
Tax liabilities	14.5	6.6	7.9	n.m.
Other liabilities	4,733.0	3,191.2	1,541.8	48.3%
Group net equity	11,470.3	11,649.0	(178.7)	-1.5%
a) Valuation reserves	66.9	60.4	6.5	10.8%
d) Reserves	3,057.5	2,184.3	873.2	40.0%
f) Share capital	7,453.5	7,453.5	-	0.0%
h) Net profit (loss) for the period	892.4	1,950.8	(1,058.4)	-54.3%
Non-controlling interests	0.2	0.3	(0.1)	-33.3%
Total Liabilities and Shareholders' Equity	125,574.1	122,601.7	2,972.4	2.4%

Reclassified Consolidated Balance Sheet - Quarterly Trend						
	30 06 2025	31 03 2025	31 12 2024	30 09 2024	30 06 2024	31 03 2024
Cash and cash equivalents	12,618.3	13,128.4	14,029.9	13,734.3	17,692.0	16,003.5
Loans to central banks	643.9	660.0	565.5	588.8	566.4	832.4
Loans to banks	1,716.3	1,920.6	2,068.3	2,264.8	2,670.9	2,313.0
Loans to customers	80,530.0	78,630.9	77,309.6	76,649.0	77,974.7	78,422.9
Securities assets	18,966.7	19,023.8	17,447.4	17,800.6	18,398.6	18,175.7
Derivatives	2,729.0	2,613.2	2,406.4	2,578.3	2,909.0	2,734.6
Equity investments	673.6	677.0	672.3	744.3	708.1	739.1
Property, plant and equipment/Intangible assets	2,251.1	2,274.1	2,297.7	2,330.7	2,356.0	2,423.1
<i>of which: goodwill</i>	7.9	7.9	7.9	7.9	7.9	7.9
Tax assets	2,660.7	2,584.0	2,538.0	2,517.5	2,523.8	2,153.0
Other assets	2,784.5	3,067.7	3,266.6	3,270.6	2,901.0	2,978.0
Total assets	125,574.1	124,579.7	122,601.7	122,478.9	128,700.5	126,775.3
Liabilities						
	30 06 2025	31 03 2025	31 12 2024	30 09 2024	30 06 2024	31 03 2024
Direct funding	94,508.6	94,594.2	93,971.9	91,249.4	96,521.6	92,718.1
a) Due to customers	84,228.4	84,887.3	83,544.3	82,159.5	86,180.1	83,204.1
b) Securities issued	10,280.2	9,706.9	10,427.6	9,089.9	10,341.5	9,514.0
Due to central banks	8,008.5	8,010.2	8,510.9	9,016.4	12,009.7	11,629.3
Due to banks	2,250.4	1,854.4	1,301.0	1,226.5	1,114.1	1,304.4
On-balance-sheet financial liabilities held for trading	2,234.0	1,676.3	1,617.9	3,216.5	2,932.7	5,164.3
Derivatives	1,382.4	1,370.6	1,346.2	1,341.0	1,353.6	1,396.7
Provisions for specific use	972.2	1,014.1	1,006.7	945.3	934.8	1,012.1
a) Provision for staff severance indemnities	72.0	72.5	72.4	70.1	70.1	72.0
b) Provision related to guarantees and other commitments given	154.4	149.3	149.9	131.4	129.5	138.0
c) Pension and other post-retirement benefit obligations	3.2	3.2	3.3	3.1	3.2	3.3
d) Other provisions	742.6	789.1	781.1	740.7	732.0	798.8
Tax liabilities	14.5	30.7	6.6	6.9	5.9	9.9
Other liabilities	4,733.0	3,980.3	3,191.2	4,211.6	3,032.7	3,232.8
Group net equity	11,470.3	12,048.6	11,649.0	11,264.9	10,795.0	10,307.1
a) Valuation reserves	66.9	46.9	60.4	64.5	1.3	25.8
d) Reserves	3,057.5	4,135.1	2,184.3	2,181.0	2,181.0	2,495.1
f) Share capital	7,453.5	7,453.5	7,453.5	7,453.5	7,453.5	7,453.5
h) Net profit (loss) for the period	892.4	413.1	1,950.8	1,565.9	1,159.2	332.7
Non-controlling interests	0.2	0.3	0.3	0.4	0.4	0.6
Total Liabilities and Shareholders' Equity	125,574.1	124,579.7	122,601.7	122,478.9	128,700.5	126,775.3

Customer funding

As at 30 June 2025, the Group's **Total Funding volumes** amounted to **EUR 200.4 bn**, highlighting an increase of EUR 2.2 bn compared to 31 March 2025 in Direct Funding (EUR +2.3 bn), while Indirect Funding was essentially stable (EUR -0.2 bn).

The aggregate also increased compared to 31 December 2024 (EUR +3.2 bn), due to growth in both Indirect Funding (EUR +2.7 bn) and Direct Funding (EUR +0.5 bn).

Background

In the first five months of 2025, bank direct funding grew slowly but steadily, increasing by 1% in May compared to December 2024, returning volumes to the levels recorded in May 2024, returning volumes to the levels recorded in May 2024.

An analysis of the aggregates highlights a shift in funding towards internal sources. In particular, there was positive momentum from the increase in deposits from residents, which grew by approximately EUR 28.4 bn in the five months of the year (up 1.4% compared to end-2024 and 3.6% year-on-year). At the same time, there was a reduction in recourse to system-wide funding, due to the completion of repayments of loans granted by the Eurosystem (TLTRO3), and, albeit to a lesser extent, a contraction in bonds, with net redemptions of around EUR 600 mln.

Deposit trends thus remained positive, mainly supported by sight deposit components, while other forms of funding were impacted by lower yields; indeed, current account balances increased (+1.7% in May compared to end-2024), whereas higher-yielding instruments such as fixed-term deposits declined (-4.6% compared to end-2024 and -6.1% year-on-year); Deposits redeemable with notice, after a period of decline, showed moderate growth of +1% since the start of the year.

Looking more closely at the customer segments, the growth in funding is driven by the increase in deposits from the non-financial corporate sector, which rose by 1.1% since the start of 2025 and by 4.6% year on year as at May 2025. The trend in household consumer deposits was more moderate, remaining broadly stable compared to the end of 2024 (+0.2%) and up 2.8% year on year. The positive balance of resident deposits was further supported by the financial sector and the Public Administration segment.

In May, the average interest rate on deposits from non-financial corporations and households stood at approximately 0.70%, showing a gradual decline of 19 basis points since December 2024: the interest rate on current accounts followed a similar trend, falling 14 basis points since year-end to around 0.32% in May, while the rate on fixed-term deposits declined by over 22 basis points, reaching 2.79% in May. As regards bonds, the average rate on balances was down to approx. 2.81% from 2.94% at the end of 2024 (-13 bps).

In the asset management market, the first five months of the year recorded a positive net inflow of EUR 9.9 bn. Investment funds posted a net positive inflow of EUR 8.3 bn, while retail portfolio management recorded a net inflow of EUR 4.7 bn. At category level, savers mainly directed their choices towards bond funds (EUR +9.2 bn in net inflows from January to May); while the balanced (EUR -5.6 bn), equity (EUR -938 mln), and flexible (EUR -816 mln) fund categories showed a phase of disinvestment. Total assets under management at the end of May stood at EUR 2,520 bn, essentially in line with the first quarter of the year. For the life insurance market, in the first five months of the year, new business was recorded for EUR 41.7 bn, compared to EUR 36.7 bn in the same period of the previous year, showing a growth of about 14%. In the banking and postal branch distribution channel, the first five months of 2025 saw growth in the placement of hybrid products (+78.3% y/y), classic unit-linked products (+67.4% y/y), and traditional solutions (+3.2% y/y). With regard to life insurance product distribution channels, in the first five months of the year, financial advisors intermediated a business volume up 24.8% y/y, while banking and postal branches recorded an increase of 15.2% y/y. In contrast, the agency channel showed a decline of 3.6% y/y.

Total customer funding	30 06 2025		31 03 2025		31 12 2024		30 06 2024		Chg. Q/Q		Chg. 31,12		Chg. Y/Y	
	Abs.	%	Abs.	%	Abs.	%	Abs.	%	Abs.	%	Abs.	%	Abs.	%
Direct funding	94,508.6		94,594.2		93,971.9		96,521.6		(85.6)	-0.1%	536.7	0.6%	2,013.0	-2.1%
Indirect funding	105,895.3		103,598.5		103,237.8		99,878.7		2,296.8	2.2%	2,657.5	2.6%	6,016.6	6.0%
Total funding	200,403.9		198,192.7		197,209.7		196,400.3		2,211.2	1.1%	3,194.2	1.6%	4,003.6	2.0%

Volumes of **Direct Funding** stood at **EUR 94.5 bn**, essentially in line with the end of March 2025. The increase in current accounts (EUR +2.0 bn) and bonds (EUR +0.6 bn) was offset by the decline in repurchase agreements (EUR -2.5 bn) and, to a lesser extent, in other forms of direct funding (EUR -0.2 bn)⁹, while term deposits remained in line with the figure as at 31 March 2025.

⁹ The volumes relating to bilateral funding transactions backed by own-issued securities, previously reported under other forms of direct funding, have been reported, starting with this Interim Financial Report, under the "Bonds" item. The comparative data as at 31 March 2025 and 31 December 2024 have therefore been restated.

The aggregate increased compared to 31 December 2024 (EUR +0.5 bn). In this case, the increase related to current accounts (EUR +0.6 bn) and term deposits (EUR +0.4 bn), while repurchase agreements (EUR -0.2 bn), bonds (EUR -0.1 bn), and other forms of funding (EUR -0.1 bn) declined slightly. The trend in bonds is attributable to the early full redemption, in the first quarter of 2025, of a Tier 2 subordinated bond (EUR 400 mln) and a senior bond (EUR 750 mln), as well as to bilateral funding transactions backed by own-issued securities totalling EUR 500 mln. In the second quarter, the key factors were the issue of a senior preferred bond for EUR 500 mln – offset by the maturity-related redemption of a similar bond for EUR 750 mln – and the issue of a European covered bond for EUR 750 mln.

Direct funding										
Type of transaction	30 06 2025	31 03 2025	31 12 2024	30 06 2024	Change Q/Q		Change 31.12		Change Y/Y	
					Abs.	%	Abs.	%	Abs.	%
Current accounts	67,752.8	65,735.5	67,180.3	66,640.1	2,017.3	3.1%	572.5	0.9%	1,112.7	1.7%
Time deposits	7,573.7	7,546.3	7,151.0	7,714.8	27.4	0.4%	422.7	5.9%	(141.2)	-1.8%
Reverse repurchase agreements	6,577.5	9,101.2	6,800.1	9,179.2	(2,523.7)	-27.7%	(222.6)	-3.3%	(2,601.7)	-28.3%
Bonds	10,280.2	9,706.9	10,427.6	10,341.6	573.3	5.9%	(147.4)	-1.4%	(61.4)	-0.6%
Other types of direct funding	2,324.4	2,504.3	2,412.9	2,645.9	(179.9)	-7.2%	(88.5)	-3.7%	(321.4)	-12.1%
Total	94,508.6	94,594.2	93,971.9	96,521.6	(85.6)	-0.1%	536.7	0.6%	(2,013.0)	-2.1%

Indirect Funding amounted to **EUR 105.9 bn**, an increase of EUR 2.3 bn compared to 31 March 2025, driven by both assets under custody (EUR +1.2 bn) and managed assets (EUR +1.1 bn); the positive trend was attributable to favourable net inflows and market effects.

Compared with 31 December 2024, indirect funding grew by EUR 2.7 bn, due to both an increase in assets under custody (EUR +1.9 bn) and growth in assets under management (EUR +0.8 bn). Both components benefited from a positive market effect; net inflows were also positive for the assets under custody component.

Indirect Funding										
	30 06 2025	31 03 2025	31 12 2024	30 06 2024	Change Q/Q		Change 31/12		Change Y/Y	
					Abs.	%	Abs.	%	Abs.	%
Assets under management	60,681.3	59,624.0	59,924.0	58,554.5	1,057.3	1.8%	757.3	1.3%	2,126.7	3.6%
<i>Funds</i>	30,585.2	29,697.2	29,580.7	28,235.3	888.0	3.0%	1,004.5	3.4%	2,350.0	8.3%
<i>Individual Portfolio under Management</i>	5,457.0	5,291.1	5,376.7	5,302.3	165.9	3.1%	80.3	1.5%	154.7	2.9%
<i>Bancassurance</i>	24,639.0	24,635.6	24,966.6	25,017.0	3.4	0.0%	(327.5)	-1.3%	(377.9)	-1.5%
Assets under custody	45,214.0	43,974.6	43,313.8	41,324.2	1,239.4	2.8%	1,900.2	4.4%	3,889.8	9.4%
<i>Government securities</i>	19,928.7	19,596.3	19,843.9	18,977.6	332.4	1.7%	84.8	0.4%	951.1	5.0%
<i>Others</i>	25,285.3	24,378.3	23,469.9	22,346.6	907.0	3.7%	1,815.4	7.7%	2,938.7	13.2%
Total funding	105,895.3	103,598.5	103,237.8	99,878.7	2,296.8	2.2%	2,657.5	2.6%	6,016.6	6.0%

Loans to customers

As at 30 June 2025, the Group's **Customer Loans** amounted to **EUR 80.5 bn**, increasing compared to 31 March 2025 (EUR +1.9 bn), driven by mortgages (EUR +1.1 bn), other loans (EUR +0.6 bn), and, to a lesser extent, by repurchase agreements (PCTs) (EUR +0.2 bn); On the other hand, current accounts and impaired loans were substantially stable.

Compared to 31 December 2024, the aggregate rose by EUR 3.2 bn, mainly due to the expansion in mortgages (EUR +2.5 bn). Other loans also increased (EUR +0.5 bn), along with current account exposures (EUR +0.2 bn) and PCTs (EUR +0.2 bn), while non-performing loans declined (EUR -0.1 bn).

With regard to the specific support measures for the production system introduced in response to the COVID-19 pandemic, a total of EUR 11.5 bn in State-guaranteed loans have been disbursed since the start of the pandemic (under the so-called "Liquidity" decree, Law Decree No. 23 of 8 April 2020, for a total amount of EUR 11.5 bn, of which 9.4 bn with collateral provided by Guarantee Fund, EUR 2.0 bn by SACE and approximately 0.1 bn by ISMEA). As at 30 June 2025, the residual gross carrying amount of these loans was EUR 3.6 bn – of which EUR 0.5 bn classified as non-performing – down from EUR 4.8 bn as at 31 December 2024, mainly due to repayments made during the period.

Background

In the early months of 2025, the banking credit market for ordinary customers remained weak, with volumes in May broadly unchanged compared to December 2024; however, some signs of recovery have begun to emerge.

Loans to the private sector (net of PCTs with central counterparties and adjusted for derecognised exposures) showed no significant change in May compared to year-end 2024, but recorded a year-on-year increase of +0.7%. Credit to the productive sector followed a similar trend, with an annual contraction that narrowed further (-1.4% in May compared to -2.1% in February year-on-year). The situation differed for household credit, which continued the growth trend that began in mid-2024. The net flow was positive at EUR +5.4 bn, corresponding to an increase of +1.0% in May versus December and +1.5% year-on-year.

This growth was supported by several factors: on one hand, renewed dynamism in the real estate market, with a recovery in home purchase mortgages driven by falling interest rates; on the other, consumer credit, which continued to expand despite increased interest rate stickiness. The aggregate, boosted by household spending on durable goods, rose by +1.8% since the start of the year and exceeded +4% year-on-year.

The July 2025 Bank Lending Survey (main findings for Italian banks) for the second quarter indicated that lending criteria for household mortgages remained unchanged, consumer credit criteria were tightened; lending criteria for businesses were slightly relaxed, and general terms and conditions improved, supported by the decline in applicable interest rates. In the first half of 2025, intermediaries reported a loosening of lending criteria for the services sector.

The effects of the monetary policy rate cuts are being transmitted consistently to bank lending rates. In particular, interest rates on outstanding loans declined in May, with rates on loans to non-financial corporations falling to 4.16% (-60 basis points compared to December 2024) and rates on household loans decreasing to 4.01% (-14 basis points compared to December 2024). On new loans to businesses, the average rate fell by nearly 26 bps from end-2024 levels, standing at 3.66% in May compared to 4.40% in December. The mortgage interest rate for households continued to decline, standing at 3.17% in May (around -6 basis points compared to December), while consumer credit rates recorded a slight increase, exceeding 8.54% (+11 basis points compared to December).

In the early months of the year, the stock of bad loans on the balance sheets of banks resident in Italy did not show signs of significant strain and appeared stable at historically low levels; overall, credit portfolio quality remained in line with year-end 2024.

Loans to customers										
Type of transaction	30 06 2025	31 03 2025	31 12 2024	30 06 2024	Change Q/Q		Change 31.12		Change Y/Y	
					Abs.	%	Abs.	%	Abs.	%
Current accounts	2,870.0	2,832.4	2,658.9	2,634.4	37.6	1.3%	211.1	7.9%	235.6	8.9%
Mortgages	53,172.5	52,041.2	50,705.4	51,578.9	1,131.3	2.2%	2,467.1	4.9%	1,593.6	3.1%
Other forms of lending	15,483.2	14,890.3	15,023.4	14,658.9	592.9	4.0%	459.8	3.1%	824.3	5.6%
Repurchase agreements	7,251.3	7,028.6	7,035.2	7,225.3	222.7	3.2%	216.1	3.1%	26.0	0.4%
Non performing loans	1,753.0	1,838.4	1,886.7	1,877.2	(85.4)	-4.6%	(133.7)	-7.1%	(124.2)	-6.6%
Total	80,530.0	78,630.9	77,309.6	77,974.7	1,899.1	2.4%	3,220.4	4.2%	2,555.3	3.3%
Stage 1	69,481.6	66,962.3	65,222.1	65,936.8	2,519.3	3.8%	4,259.5	6.5%	3,544.8	5.4%
Stage 2	9,148.8	9,619.2	10,058.6	9,975.2	(470.4)	-4.9%	(909.8)	-9.0%	(826.4)	-8.3%
Stage 3	1,749.8	1,835.2	1,883.2	1,873.3	(85.4)	-4.7%	(133.4)	-7.1%	(123.5)	-6.6%
Purchased or originated credit impaired financial assets	2.0	2.1	2.2	2.7	(0.1)	-4.8%	(0.2)	-9.1%	(0.7)	-25.9%
Performing loans measured at fair value	145.8	210.2	141.3	184.3	(64.4)	30.6%	4.5	3.2%	(38.5)	-20.9%
Non-performing loans measured at fair value	2.0	1.9	2.2	2.5	0.1	5.3%	(0.2)	-9.1%	(0.5)	-20.0%

Loans to customers measured at amortised cost	30 06 2025			31 03 2025			31 12 2024			Change Q/Q		Change Y/Y	
	Stage 1	Stage 2	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Stage 1	Stage 2
Gross exposure	69,637.8	9,523.6	82,616.3	67,075.7	9,983.1	80,754.1	65,334.1	10,408.1	79,456.9				
Adjustments	156.2	374.8	2,234.1	113.4	363.9	2,335.3	112.0	349.5	2,290.8				
Net exposure	69,481.6	9,148.8	80,382.2	66,962.3	9,619.2	78,418.8	65,222.1	10,058.6	77,166.1				
Coverage ratio	0.2%	3.9%	2.7%	0.2%	3.6%	2.9%	0.2%	3.4%	2.9%	0.0%	0.3%	0.0%	0.5%
% on Loans to customers measured at amortised cost	86.4%	11.4%	100.0%	85.4%	12.3%	100.0%	84.5%	13.0%	100.0%	1.0%	-0.9%	1.9%	-1.6%

The gross exposure of Stage 1 loans, amounting to EUR 69.6 bn as at 30 June 2025, increased compared to both 31 March 2025 (EUR 67.1 bn) and 31 December 2024 (EUR 65.3 bn). The trend in the first half of 2025 was mainly attributable to the volume of new disbursements during the period.

Loans classified in Stage 2, with gross exposure amounting to EUR 9.5 bn as at 30 June 2025, decreased compared to EUR 10.0 bn as at 31 March 2025 and EUR 10.4 bn as at 31 December 2024.

The coverage ratio of loans to customers measured at amortized cost stood at 2.7%, a slight decrease compared to both 31 March 2025 and 31 December 2024, when it was 2.9% in each case, mainly due to the reduction of non-performing loans.

Non-performing exposures of loans to customers

In the tables below, Non-performing loans to customers are represented by all cash exposures, in the form of loans to customers, regardless of the accounting portfolio to which they belong.

The Group's **total non-performing loans to customers** as at 30 June 2025 were equal to **EUR 3.5 bn** in terms of gross exposure, trending down compared to 31 March 2025 (EUR 3.6 bn) and 31 December 2024 (EUR 3.7 bn). In particular:

- The gross exposure of bad loans, amounting to EUR 1.3 bn, recorded a slight decrease compared to EUR 1.4 bn as at 31 March 2025 and remained broadly stable compared to EUR 1.3 bn as at 31 December 2024;
- the gross exposure of unlikely-to-pay loans, amounting to EUR 2.1 bn, showed a slight decrease compared to both EUR 2.2 bn as at 31 March 2025 and EUR 2.2 bn as at 31 December 2024;
- the gross exposure of non-performing past-due loans, amounting to EUR 56.4 mln, decreased compared to EUR 65.4 mln as at 31 March 2025 and to EUR 99.0 mln as at 31 December 2024.

As at 30 June 2025, the Group's **net exposure in terms of Non-performing Loans to Customers** stood at **EUR 1.8 bn**, essentially stable compared to both 31 March 2025 (EUR 1.8 bn) and 31 December 2024 (EUR 1.9 bn).

Loans to customers		Bad loans	Unlikely to pay	Non-performing past due loans	Total Non-performing loans to customers	Performing loans	Total loans to customers
30 06 2025	Gross exposure	1,303.9	2,099.4	56.4	3,459.7	79,308.2	82,767.9
	Adjustments	861.5	829.0	16.2	1,706.7	531.2	2,237.9
	Net exposure	442.4	1,270.4	40.2	1,753.0	78,777.0	80,530.0
	Coverage ratio	66.1%	39.5%	28.7%	49.3%	0.7%	2.7%
	% on Loans to customers	0.5%	1.6%	0.0%	2.2%	97.8%	100.0%
31 03 2025	Gross exposure	1,364.3	2,212.0	65.4	3,641.7	77,269.8	80,911.5
	Adjustments	898.7	885.8	18.8	1,803.3	477.3	2,280.6
	Net exposure	465.6	1,326.2	46.6	1,838.4	76,792.5	78,630.9
	Coverage ratio	65.9%	40.0%	28.7%	49.5%	0.6%	2.8%
	% on Loans to customers	0.6%	1.7%	0.1%	2.3%	97.7%	100.0%
31 12 2024	Gross exposure	1,320.8	2,240.6	99.0	3,660.4	75,883.8	79,544.2
	Adjustments	878.2	869.5	26.0	1,773.7	460.9	2,234.6
	Net exposure	442.6	1,371.1	73.0	1,886.7	75,422.9	77,309.6
	Coverage ratio	66.5%	38.8%	26.3%	48.5%	0.6%	2.8%
	% on Loans to customers	0.6%	1.8%	0.1%	2.4%	97.6%	100.0%
30 06 2024	Gross exposure	1,534.6	2,113.8	89.8	3,738.2	76,572.2	80,310.4
	Adjustments	1,035.4	804.9	20.7	1,861.0	474.7	2,335.7
	Net exposure	499.2	1,308.9	69.1	1,877.2	76,097.5	77,974.7
	Coverage ratio	67.5%	38.1%	23.1%	49.8%	0.6%	2.9%
	% on Loans to customers	0.6%	1.7%	0.1%	2.4%	97.6%	100.0%

As at 30 June 2025, the **coverage ratio of non-performing exposures** stood at **49.3%**, broadly in line with the figure recorded at 31 March 2025 (49.5%). All components showed marginal changes: the coverage ratio of bad loans rose from 65.9% to 66.1%, that of Unlikely to pay exposures passed from 40.0% to 39.5%, and that of non-performing past due loans remains stable to 28.7%.

The coverage ratio of non-performing loans to customers was higher than that at 31 December 2024, when it was 48.5%. At individual administrative status level, the coverage ratio of Unlikely to pay exposures (which rose from 38.8% to 39.5%) and Non-performing past-due loans (which rose from 26.3% to 28.7%) increased; on the other hand, the coverage ratio of bad loans slightly decreased (from 66.5% to 66.1%).

Change in gross exposures

	abs/%	Bad loans	Unlikely to pay exposures	Non-performing past due exposures	Total non-performing loans	Performing loans	Total loans to customers
Q/Q	abs.	(60.4)	(112.6)	(9.0)	(182.0)	2,038.4	1,856.4
	%	-4.4%	-5.1%	-13.8%	-5.0%	2.6%	2.3%
31/12	abs.	(16.9)	(141.2)	(42.6)	(200.7)	3,424.4	3,223.7
	%	-1.3%	-6.3%	-43.0%	-5.5%	4.5%	4.1%
Y/Y	abs.	(230.7)	(14.4)	(33.4)	(278.5)	2,736.0	2,457.5
	%	-15.0%	-0.7%	-37.2%	-7.5%	3.6%	3.1%

Changes in coverage ratios

	Bad loans	Unlikely to pay exposures	Non-performing past due exposures	Total non-performing loans	Performing loans	Total loans to customers
Q/Q	0.2%	-0.6%	0.0%	-0.2%	0.1%	-0.1%
31/12	-0.4%	0.7%	2.5%	0.9%	0.1%	-0.1%
Y/Y	-1.4%	1.4%	5.7%	-0.5%	0.0%	-0.2%

Trend of non-performing loans to customers	30 06 2025		2 Q 2025		1 Q 2025		30 06 2024		Chg. 2 Q 2025/1 Q2025 Total Non-performing loans to customers		Chg. Y/Y Total Non-performing loans to customers	
	Total Non-performing exposures	of which bad loans	Total Non-performing exposures	of which bad loans	Total Non-performing exposures	of which bad loans	Total Non-performing exposures	of which bad loans	Abs.	%	Abs.	%
	Gross exposure, opening balance	3,660.4	1,320.8	3,641.7	1,364.3	3,660.4	1,320.8	3,484.9	1,383.4	(18.7)	-0.5%	175.5
Transfers from performing loans	419.7	24.2	238.0	20.1	181.7	4.1	653.8	25.8	56.3	31.0%	(234.1)	-35.8%
Transfers to performing loans	(174.6)	-	(133.6)	-	(41.0)	-	(104.9)	(0.3)	(92.6)	n.m.	(69.7)	66.4%
Collections (including gains on disposals)	(348.5)	(144.8)	(189.5)	(84.8)	(159.0)	(60.0)	(299.1)	(48.9)	(30.5)	19.2%	(49.4)	16.5%
Write-offs (including loss on disposal)	(138.2)	(121.0)	(96.7)	(80.8)	(41.5)	(40.2)	(48.5)	(31.3)	(55.2)	n.m.	(89.7)	n.m.
+/- Other changes	40.9	224.7	(0.2)	85.1	41.1	139.6	52.0	205.9	(41.3)	n.m.	(11.1)	21.3%
Gross exposure, closing balance	3,459.7	1,303.9	3,459.7	1,303.9	3,641.7	1,364.3	3,738.2	1,534.6	(182.0)	-5.0%	(278.5)	-7.5%
Opening balance of overall adjustments	(1,773.7)	(878.2)	(1,803.3)	(898.7)	(1,773.7)	(878.2)	(1,711.3)	(941.6)	(29.6)	1.7%	(62.4)	3.6%
Adjustments / write-backs during the period	(123.4)	(29.4)	(66.8)	(24.3)	(56.6)	(5.1)	(197.3)	(46.1)	(10.2)	18.0%	73.9	-37.5%
+/- Other changes	190.4	46.1	163.4	61.5	27.0	(15.4)	47.6	(47.7)	136.4	n.m.	142.8	n.m.
Closing balance of overall adjustments	(1,706.7)	(861.5)	(1,706.7)	(861.5)	(1,803.3)	(898.7)	(1,861.0)	(1,035.4)	96.6	-5.4%	154.3	-8.3%
Net exposure, closing balance	1,753.0	442.4	1,753.0	442.4	1,838.4	465.6	1,877.2	499.2	(85.4)	-4.6%	(124.2)	-6.6%

Other Financial Assets/Liabilities

As at 30 June 2025, the Group's **Securities assets** amounted to **EUR 19.0 bn**, essentially stable compared to 31 March 2025 (-0.3%), with limited changes across all components of the aggregate. In particular: there was an increase of EUR 0.1 bn in financial assets held for trading, a decrease of EUR 0.1 bn in financial assets measured at fair value through other comprehensive income, a decrease of EUR 0.1 bn in customer securities measured at amortised cost, and an increase of EUR 0.1 bn in bank securities measured at amortised cost. The other components were essentially stable. It should be noted that the market value of securities included in loans to customers and banks at amortised cost amounted to EUR 9,629.3 mln and EUR 699.6 mln, respectively (with implicit capital losses of EUR 278.9 mln and EUR 84.0 mln, respectively).

The aggregate increased compared to 31 December 2024 (EUR +1.5 bn), mainly due to growth in the trading component (EUR +2.3 bn), partially offset by a decline in financial assets measured at fair value through other comprehensive income (EUR -0.4 bn) and in customer securities measured at amortised cost (EUR -0.3 bn). The other components were essentially stable.

On-balance-sheet financial liabilities held for trading were equal to **EUR 2.2 bn** as at 30 June 2025 and increased compared to both 31 March 2025 (EUR 1.7 bn) and to the value recorded at 31 December 2024 (EUR 1.6 bn).

As at 30 June 2025, **the net position in derivatives, positive for EUR 1.3 bn**, was essentially stable compared to both 31 March 2025 (positive for EUR 1.2 bn) and 31 December 2024 (positive for EUR 1.1 bn).

Items	30 06 2025	31 03 2025	31 12 2024	30 06 2024	Chg. Q/Q		Chg. 31.12		Chg. Y/Y	
					Abs.	%	Abs.	%	Abs.	%
Securities assets	18,966.7	19,023.8	17,447.4	18,398.6	(57.1)	-0.3%	1,519.3	8.7%	568.1	3.1%
<i>Financial assets held for trading</i>	<i>6,017.7</i>	<i>5,872.4</i>	<i>3,764.4</i>	<i>4,815.6</i>	<i>145.3</i>	<i>2.5%</i>	<i>2,253.3</i>	<i>59.9%</i>	<i>1,202.1</i>	<i>25.0%</i>
<i>Other financial assets mandatorily measured at fair value</i>	<i>288.8</i>	<i>300.5</i>	<i>312.7</i>	<i>228.6</i>	<i>(11.7)</i>	<i>-3.9%</i>	<i>(23.9)</i>	<i>-7.6%</i>	<i>60.2</i>	<i>26.3%</i>
<i>Financial assets measured at fair value through other comprehensive income</i>	<i>1,967.5</i>	<i>2,095.9</i>	<i>2,337.4</i>	<i>2,447.0</i>	<i>(128.4)</i>	<i>-6.1%</i>	<i>(369.9)</i>	<i>-15.8%</i>	<i>(479.5)</i>	<i>-19.6%</i>
<i>Financial assets held for sale</i>	<i>0.9</i>	<i>27.5</i>	<i>57.6</i>	<i>0.0</i>	<i>(26.6)</i>	<i>-96.7%</i>	<i>(56.7)</i>	<i>-98.4%</i>	<i>0.9</i>	<i>n.m.</i>
<i>Loans to customers measured at amortised cost</i>	<i>9,908.2</i>	<i>10,015.5</i>	<i>10,237.7</i>	<i>10,203.7</i>	<i>(107.3)</i>	<i>-1.1%</i>	<i>(329.5)</i>	<i>-3.2%</i>	<i>(295.5)</i>	<i>-2.9%</i>
<i>Loans to banks measured at amortised cost</i>	<i>783.6</i>	<i>712.0</i>	<i>737.6</i>	<i>703.7</i>	<i>71.6</i>	<i>10.1%</i>	<i>46.0</i>	<i>6.2%</i>	<i>79.9</i>	<i>11.4%</i>
On-balance-sheet financial liabilities held for trading	(2,234.0)	(1,676.3)	(1,617.9)	(2,932.7)	(557.7)	33.3%	(616.1)	38.1%	698.7	-23.8%
Net positions in derivatives	1,346.6	1,242.6	1,060.2	1,555.4	104.0	8.4%	286.4	27.0%	(208.8)	-13.4%
Other financial assets/liabilities	18,079.3	18,590.1	16,889.7	17,021.3	(510.8)	-2.7%	(131.6)	-0.8%	1,058.0	6.2%

Items	30 06 2025		31 03 2025		31 12 2024		30 06 2024	
	Securities assets	On-balance-sheet financial liabilities held for trading	Securities assets	On-balance-sheet financial liabilities held for trading	Securities assets	On-balance-sheet financial liabilities held for trading	Securities assets	On-balance-sheet financial liabilities held for trading
Debt securities	18,377.7	-	18,421.9	-	16,877.8	-	17,898.5	-
Equity instruments and Units of UCITS	589.0	-	601.9	-	569.6	-	500.1	-
Liabilities	-	2,234.0	-	1,676.3	-	1,617.9	-	2,932.7
Total	18,966.7	2,234.0	19,023.8	1,676.3	17,447.4	1,617.9	18,398.6	2,932.7

Interbank position

As at 30 June 2025, the Group's **net interbank position** stood at **EUR 4.1 bn** in loans, down by EUR 5.3 bn and EUR 6.1 bn compared to net interbank loans as at 31 March 2025 and 31 December 2024, respectively. The change compared to the previous quarter (EUR -1.2 bn) was mainly attributable to sight deposits with central banks (depo facility).

The change compared to year-end 2024 (EUR -2.0 bn) was mainly due to: (i) in bank balances, an increase in funding and a decrease in investments, (ii) in central bank balances, a decrease in net balance of the depo facility.

Interbank balances										
	30 06 2025	31 03 2025	31 12 2024	30 06 2024	Change Q/Q		Change 31.12		Change Y/Y	
					Abs.	%	Abs.	%	Abs.	%
Loans to banks	1,716.3	1,920.6	2,068.3	2,670.9	(204.3)	-10.6%	(352.0)	-17.0%	(954.6)	-35.7%
Deposits from banks	2,250.4	1,854.4	1,301.0	1,114.1	396.0	21.4%	949.4	73.0%	1,136.3	n.m.
Demand deposits with banks (cash)	1,327.3	825.1	1,656.9	1,315.7	502.2	60.9%	(329.6)	-19.9%	11.6	0.9%
Net position with banks	793.2	891.3	2,424.2	2,872.5	(98.1)	-11.0%	(1,631.0)	-67.3%	(2,079.3)	-72.4%
Loans to central banks	643.9	660.0	565.5	566.4	(16.1)	-2.4%	78.4	13.9%	77.5	13.7%
Deposits from central banks	8,008.5	8,010.2	8,510.9	12,009.7	(1.7)	0.0%	(502.4)	-5.9%	(4,001.2)	-33.3%
Demand deposits with Central banks (cash)	10,660.0	11,726.7	11,617.9	15,764.5	(1,066.7)	-9.1%	(957.9)	-8.2%	(5,104.5)	-32.4%
Net position with central banks	3,295.4	4,376.5	3,672.5	4,321.2	(1,081.1)	-24.7%	(377.1)	-10.3%	(1,025.8)	-23.7%
Net interbank position	4,088.6	5,267.8	6,096.7	7,193.7	(1,179.2)	-22.4%	(2,008.1)	-32.9%	(3,105.1)	-43.2%

As at 30 June 2025, the operating liquidity position showed an unencumbered **Counterbalancing Capacity of EUR 31.0 bn**, down from EUR 31.6 bn as at 31 March 2025 and EUR 33.0 bn as at 31 December 2024.

Other assets

The item Other assets includes the value of diamonds, for EUR 47.3 mln, involved in the action taken by the Parent Company in 2018, that envisaged the payment to customers of a consideration up to an amount equal to that the latter originally paid to Diamond Private Investment to purchase the stones, with their simultaneous transfer to the Bank and finalisation of an appropriate transaction.

The aggregate also includes tax credits related to the "Rilancio" Law Decree no. 34/2020, which introduced tax incentives for specific energy and anti-seismic efficiency initiatives, the installation of photovoltaic systems and infrastructure for recharging electric vehicles in buildings (so-called Superbonus/ECobonus/Sismabonus). In detail, as at 30 June 2025, the nominal value of the total tax credits purchased amounted to EUR 3,247.5 mln (EUR 3,186 mln as at 31 March 2025 and EUR 3,125 mln as at 31 December 2024). Taking into account the receivables offset to date, amounting to EUR 1,830 mln, the residual nominal value at 30 June 2025 totalled EUR 1,417 mln. The corresponding carrying amount, recognised under the balance sheet item "Other assets" at amortised cost, reflecting the purchase price and net accrued income as at 30 June 2025, amounted to EUR 1,268 mln (EUR 1,613 mln and EUR 1,805 mln at 31 March 2025 and 31 December 2024, respectively).

It should also be noted that, as at 30 June 2025, the Parent Company had received requests for the sale of additional receivables for a total amount of approximately EUR 836 mln, currently being assessed/processed. The total amount of credits acquired and assignment requests being processed - the latter appropriately adjusted to factor in the impact of dossiers abandoned and/or rejected by the Bank -, is in line with the estimated overall tax capacity (the so-called "Tax Capacity"), i.e., the tax/contribution payments that the Group plans to make and that are available for offsetting with tax credits from "Building Bonuses". The aforementioned valuation also takes into account the significant decrease in the estimated prospective "Tax Capacity" caused by changes to the rules underlying the use of tax credits purchased introduced by Italian Law no. 67 of 23 May 2024, which converted Italian Decree Law no. 39/2024 (the tax benefits decree) into law, with amendments.

Shareholders' equity

As at 30 June 2025, the **Shareholders' Equity of the Group and non-controlling interests** amounted to **EUR 11.5 bn** compared to EUR 12.0 bn as at 31 March 2025; the difference is mainly due to the combined effect of payment in May of 2024 dividends amounting to EUR 1,083.4 mln, and to the profit recorded in the second quarter.

Compared to 31 December 2024, the Shareholders' Equity of the Group and non-controlling interests decreased by EUR 0.2 bn as at 30 June 2025, once again as a consequence of the profit for the first half of 2025 and the distribution of 2024 dividends.

Reclassified balance sheet											
Shareholders' Equity	30 06 2025	31 03 2025	31 12 2024	30 06 2024	Chg. Q/Q		Chg. 31,12		Chg. Y/Y		
					abs.	%	abs.	%	abs.	%	
Group Net Equity	11,470.3	12,048.6	11,649.0	10,795.0	(578.3)	-4.8%	(178.7)	-1.5%	675.3	6.3%	
a) Valuation reserves	66.9	46.9	60.4	1.3	20.0	42.6%	6.5	10.8%	65.6	n.m.	
d) Reserves	3,057.5	4,135.1	2,184.3	2,181.0	(1,077.6)	-26.1%	873.2	40.0%	876.5	40.2%	
f) Share Capital	7,453.5	7,453.5	7,453.5	7,453.5	-	0.0%	-	0.0%	-	0.0%	
h) Profit (loss) for the period	892.4	413.1	1,950.8	1,159.2	479.3	n.m.	(1,058.4)	-54.3%	(266.8)	-23.0	
Non-controlling interests	0.2	0.3	0.3	0.4	(0.1)	-33.3%	(0.1)	-33,3%	(0.2)	-50.0%	
Total Shareholders' Equity of the Group and non-controlling interests	11,470.5	12,048.9	11,649.3	10,795.4	(578.4)	-4.8%	(178.8)	-1.5%	675.1	6.3%	

Capital adequacy

Regulatory capital and statutory requirements

As a result of the conclusion of the SREP conducted with reference to the figures as at 31 December 2023 and also taking into account the information received after that date, with the submission in December 2024 of the 2024 SREP Decision, the ECB asked the Parent Company to maintain, effective from 1 January 2025, a consolidated TSCR level of 10.50%, which includes 8% as a Pillar 1 minimum requirement ("P1R") pursuant to Article 92 of the CRR and 2.50% as Pillar 2 additional requirement ("P2R"), which must be respected at least for 56.25% with CET1 and at least 75% with Tier 1.

With regard to *Pillar 2 Capital Guidance* (P2G), the ECB expects the Parent Company to adapt, on a consolidated basis, to a requirement of 1.15%, to be fully met from Common Equity Tier 1 capital in addition to the overall capital requirement (OCR). Failing to comply with this capital guideline is not, at any rate, equivalent to failing to comply with the capital requirements.

Lastly, it should be noted that as from 1 January 2019, the *Capital Conservation Buffer* (CCB) is 2.5%, and that as from 1 January 2024, the Group is no longer required to comply with the *O-SII Buffer* as it has not been identified for the year 2024 and 2025 by the Bank of Italy as a systemically important institution authorised in Italy. Furthermore, from 31 December 2024 the Group has to comply with the *Systemic Risk Buffer* (SyRB), equal to 1% of risk-weighted exposures to credit and counterparty risk towards Italian residents. The SyRB was introduced by the Bank of Italy under a phased approach, with a coefficient of 0.5% applied from 31 December 2024 to 29 June 2025, and of 1% effective from 30 June 2025.

Accordingly, the Group must meet the following requirements at consolidated level as at 30 June 2025:

- CET1 Ratio of 9.19%;
- Tier 1 Ratio of 11.15%;
- Total Capital Ratio of 13.78%.

These ratios include, in addition to the P2R, 2.5% for the Capital Conservation Buffer, 0.023% for the Countercyclical Capital Buffer (CCyB)¹⁰ and 0.76% for the Systemic Risk Buffer.

¹⁰ Calculated considering the exposure as at 30 June 2025 in the various countries in which the MPS Group operates and the requirements established by the competent national authorities.

As at 30 June 2025, the Group's capital on a transitional basis was as shown in the following table:

Categories / Values	30 06 2025	31 12 2024	Change 31 12 2024	
			Abs.	%
OWN FUNDS				
Common Equity Tier 1 (CET1)	8,996.4	8,847.4	149.0	1.68%
Tier 1 (T1)	8,996.4	8,847.4	149.0	1.68%
Tier 2 (T2)	1,019.8	1,112.1	(92.3)	-8.30%
Total capital (TC)	10,016.2	9,959.5	56.7	0.57%
RISK-WEIGHTED ASSETS				
Credit and Counterparty Risk	36,469.1	36,675.0	(205.9)	-0.56%
Credit valuation adjustment risk	491.3	261.6	229.7	87.81%
Market risks	2,070.9	1,840.2	230.7	12.54%
Operational risk	6,832.7	9,613.4	(2,780.7)	-28.93%
Total risk-weighted assets	45,864.0	48,390.2	(2,526.2)	-5.22%
CAPITAL RATIOS				
CET1 capital ratio	19.62%	18.28%	1.33%	
Tier1 capital ratio	19.62%	18.28%	1.33%	
Total capital ratio	21.84%	20.58%	1.26%	

Compared to 31 December 2024, the CET1 recorded an increase of EUR +149 mln.

This change is essentially attributable to the inclusion in CET1 of a portion of the profit for the period as at 30 June 2025, partially offset by deductions related to DTAs (Deferred Tax Assets based on future profitability and not arising from temporary differences).

Tier 2 decreased by EUR 92 mln compared to the end of December 2024, due to a EUR 91 mln reduction in the contribution from Tier 2 subordinated instruments and a EUR 1 mln decrease in the Tier 2 contribution from the excess of value adjustments over expected losses.

The Total Capital Ratio therefore reflects an overall increase in own funds of EUR +57 mln.

RWAs fell by EUR 2.5 bn, primarily due to the introduction of the new provisions of Regulation (EU) 2024/1623 ("CRR3"). In particular, there was a significant reduction in RWA for operational risks (EUR -2.8 bn), attributable to the adoption of the Standardised Approach in place of the Advanced Measurement Approach, as the use of internal models is no longer permitted under prudential regulations. A slight decrease in AIRB RWA was also recorded, again due to the introduction of CRR3, linked to the removal of the scaling factor. This was almost entirely offset by new loans disbursed in the first six months of the year. An increase was also observed in CVA risk (EUR +0.2 bn), resulting from the application of the new "basic approach" introduced by CRR3, and in market risks¹¹ (EUR +0.2 bn), while credit risk under the standardised approach remained broadly stable.

As at 30 June 2025, on a consolidated basis, the Parent Company has met all capital requirements, including those related to P2G.

As at 30 June 2025, on a transitional basis, the Group has recorded a leverage ratio of 6.92%, higher than the regulatory minimum of 3%.

¹¹ With regard to the new market risk framework, Delegated Regulation (EU) 2024/2795 postponed the application of the Fundamental Review of the Trading Book (FRTB) to 1 January 2026, which until now had been introduced in Europe for reporting purposes only. It should be noted, however, that on 12 June 2025 the European Commission adopted a new delegated act further postponing the application of the FRTB to 1 January 2027.

MREL capacity

Pursuant to Article 45 of Directive 2014/59/EU, as amended, banks must at all times respect a minimum own funds and eligible liabilities (MREL) requirement in order to ensure that, in the event of application of the bail-in, they have sufficient liabilities to absorb losses and to ensure compliance with the Tier 1 Capital requirement envisaged for authorisation to carry out banking activities, as well as to generate sufficient trust in the market.

With the letter of 29 November 2024, the Parent Company received from the Bank of Italy, in its capacity as Resolution Authority, the decision SRB/EES/2024RPC/57 of the Single Resolution Committee on the calculation of the minimum requirement for own funds and eligible liabilities.

As from 29 November 2024, the Parent Company must comply, on a consolidated basis, with an MREL of 23.59% in terms of TREA ("Total Risk Exposure Amount"), to which the Combined Capital Reserve Requirement (CBR) of 3.28% must be added, as well as 6.43% in terms of LRE ("Leverage Ratio Exposure"). To these must be added the additional subordinated MREL requirements, to be met with own funds and subordinated instruments, equal to 13.99% of TREA, to which the CBR must be added, and 6.43% of LRE.

As at 30 June 2025, the Group values were higher than the requirements:

- an MREL capacity of 27.92% in terms of TREA and 9.85% in terms of LRE; and
- an MREL subordination capacity of 22.76% in terms of TREA and 8.03% in terms of LRE.

In this regard, please note that the Group's funding strategies aim to guarantee - as concerns public bond issue plans in particular - the constant fulfilment of MREL requirements.

Disclosure on Fair Value

The methodologies used to calculate fair values have not changed compared to 2024 and therefore reference should be made, for a comprehensive reading, to the information provided in section A.4 “Information on Fair Value” in the Consolidated Explanatory Notes as at 31 December 2024.

Financial assets and liabilities measured at fair value on a recurring basis

Asset and liabilities measured at fair value	30 06 2025				31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Financial assets measured at fair value through profit or loss of which:	5,771.5	2,493.4	433.8	8,698.7	3,514.5	2,564.8	453.5	6,532.8
a) Financial assets held for trading	5,771.5	2,490.6	-	8,262.1	3,514.5	2,562.1	-	6,076.6
c) Other financial assets mandatorily measured at fair value	-	2.8	433.8	436.6	-	2.7	453.5	456.2
2. Financial assets measured at fair value through other comprehensive income	1,792.0	9.7	165.8	1,967.5	2,162.4	9.4	165.6	2,337.4
3. Hedging derivatives	-	484.6	-	484.6	-	94.2	-	94.2
4. Property, plant and equipment	-	-	1,704.2	1,704.2	-	-	1,738.3	1,738.3
Total assets	7,563.5	2,987.7	2,303.8	12,855.0	5,676.9	2,668.4	2,357.4	10,702.7
1. Financial liabilities held for trading	2,215.2	1,129.2	1.0	3,345.4	1,619.1	985.1	1.5	2,605.7
2. Financial liabilities designated at fair value	-	124.6	-	124.6	-	119.7	-	119.7
3. Hedging derivatives	-	271.1	-	271.1	-	358.4	-	358.4
Total liabilities	2,215.2	1,524.9	1.0	3,741.1	1,619.1	1,463.2	1.5	3,083.8

During the first half of 2025, a downgrade in the fair value hierarchy was recorded for certain financial assets, notably equity securities amounting to over EUR 5 mln and bond securities of approximately EUR 1 mln, which moved from Level 1 to Level 2. With regard to financial instruments that saw an upgrade in the fair value hierarchy, moving from Level 2 to Level 1, this mainly involved equity securities with a value of approximately EUR 33 mln and bond securities of around EUR 1 mln.

The above changes in fair value are essentially attributable to the deterioration/improvement in the securities' liquidity conditions (measured in terms of bid-ask spread of the listed price), which allowed the level transfer in accordance with the Group's policy on the valuation of financial instruments.

As for OTC derivatives, in compliance with IFRS 13 the Group calculates adjustments to values, obtained through valuation models using risk-free interest rates, to take account of the creditworthiness of the individual counterparty. This risk measure, known as Credit Value Adjustment (CVA), is estimated for all positions in OTC derivatives with non-collateralised institutional and commercial counterparties and with counterparties having a Credit Support Annex (CSA) not in line with market standards. The methodology is based on the calculation of expected operational loss linked to counterparty rating and estimated on a position's duration. The exposure includes future credit variations represented by add-ons.

Market-consistent probability measurements are employed in the calculation of CVAs in order to gauge market expectations resulting from CDS, also taking into consideration the historical information available within the Group. As at 30 June 2025 the change for the correction of CVA was approx. EUR 3.1 mln.

The Group calculates the value adjustment of OTC derivatives in a mirror image fashion and on the same perimeter to take into account its credit worthiness (DVA). As at 30 June 2025, the DVA totalled EUR 2.2 mln.

Changes in financial assets measured at fair value on a recurring basis (level 3)

30 06 2025

	Financial assets measured at fair value through profit or loss		Financial assets measured at fair value through other comprehensive income	Property, plant and equipment
	Total	Of which: c) Other Financial assets mandatorily measured at fair value		
1. Opening balance	453.5	453.5	165.6	1,738.3
2. Increases	31.0	31.0	0.3	10.1
2.1 Purchases	-	-	-	-
2.2 Profits charged to:	6.4	6.4	0.2	8.0
2.2.1 Income statement	6.4	6.4	-	6.1
- of which capital gains	4.1	4.1	-	6.1
2.2.2 Shareholders' equity	-	-	0.2	1.8
2.3 Transfers from other levels	-	-	-	-
2.4 Other increases	24.6	24.6	0.1	2.1
3. Decreases	50.7	50.7	0.1	44.2
3.1 Sales	1.2	1.2	0.1	0.6
3.2 Redemptions	30.5	30.5	-	-
3.3 Losses charged to:	17.3	17.3	-	8.7
3.3.1 Income statement	17.3	17.3	-	8.7
- of which capital losses	17.3	17.3	-	8.7
3.3.2 Shareholders' equity	-	-	-	0.1
3.4 Transfers to other levels	-	-	-	-
3.5 Other decreases	1.7	1.7	-	34.9
4. Closing balance	433.8	433.8	165.8	1,704.2

Below are the most significant amounts reported in the column "Other Financial assets mandatorily measured at fair value" under item

- "2.2.1 Profits charged to the income statement" – of which capital gains amounting to approximately EUR 4.1 mln mainly relate to the revaluation of certain units of UCITS (EUR 2.4 mln) and loans (EUR 0.8 mln);
- "2.4 Other increases" equal to EUR 24.6 mln include EUR 21.9 mln in new loans and positions that during the year were reclassified from the loan portfolio at amortised cost to the portfolio of other assets mandatorily measured at fair value due to substantial credit changes not consistent with the SPPI test;
- "3.1 Sales" for EUR 1.2 mln refer to the sale of non-performing loans completed during the half-year.
- "3.2 Redemptions" for EUR 30.5 mln include approximately EUR 14.1 mln from the partial redemption of UCITS units and equity instruments, and EUR 16.4 mln from redemptions on loan exposures.
- "3.3.1 Losses charged to the income statement" of EUR 17.3 mln for write-downs, referring to EUR 6.5 mln on UCITS units, EUR 10.0 mln on notes for the Siena NPL securitisation transaction and EUR 0.8 mln on non-performing loans.

Property, plant and equipment measured at fair value on a recurring basis consisted of property assets for business and for investment use. The main amounts reported are shown below:

- "2.2.1 Profits charged to the income statement, of which capital gains" amounting to approximately EUR 6.1 mln refer to: EUR 2.2 mln from investment property classified as non-current assets under disposal during the first half of 2025 and measured at the expected sale price; EUR 3.4 mln from reversals of impairment losses on properties classified under IAS 16 previously written down through the income statement; and EUR 0.5 mln from revaluations of properties classified under IAS 40 based on appraisals as at 30 June 2025;
- "2.2.2 Profit charged to shareholders' equity" amounting to approximately EUR 1.8 mln refers to reversals of impairment losses on properties classified under IAS 16;
- "2.4 Other increases", amounting to approximately EUR 2.1 mln, refer to improvements and capitalised expenses;

- “3.1 – Sales”, amounting to approximately EUR 0.6 mln, refer to the sale of certain properties classified under IAS 40 completed during the first half of 2025;
- “3.3.1 Losses charged to the income statement – of which capital losses”, amounting to approximately EUR 8.7 mln, include EUR 0.1 mln related to investment property classified as non-current assets under disposal during the first half of 2025 and measured at the expected sale price; EUR 1.9 mln and EUR 6.7 mln relate to write-downs of properties classified under IAS 16 and IAS 40, respectively;
- “3.3.2 Losses charged to shareholders’ equity” equal to approximately EUR 0.1 mln refer entirely to write-downs on properties classified under IAS 16 subject to a previous revaluation recognised in the OCI reserve;
- “3.5 Other decreases” equal to approximately EUR 34.9 mln mainly refer to the depreciation charge related to properties classified as properties for business use in the amount of EUR 13.5 mln and to properties transferred during the year to properties held for disposal for EUR 21.4 mln.

Annual changes in financial liabilities measured at fair value on a recurring basis (level 3)

	30 06 2025
	Financial liabilities held for trading
1. Opening balance	1.5
2. Increases	1.5
2.1 Emissions	-
2.2 Losses charged to:	1.5
2.2.1 Income statement	1.5
<i>- of which capital losses</i>	-
2.2.2 Shareholders’ equity	X
2.3 Transfers from other levels	-
2.4 Other increases	-
3. Decreases	2.0
3.1 Repayments	-
3.2 Repurchases	-
3.3 Profits charged to:	2.0
3.3.1 Income statement	2.0
<i>- of which capital gains</i>	0.6
3.3.2 Shareholders’ equity	X
3.4 Transfers to other levels	-
3.5 Other decreases	-
4. Closing balance	1.0

Information on “day one profit/loss”

The Group did not recognise “day one profits/losses” on financial instruments pursuant to B.5.1.2A of IFRS 9; therefore, no disclosure is provided pursuant to paragraph 28 of IFRS 7 and other related IAS/IFRS paragraphs.

Fair value level 2 and 3: measurement techniques and inputs used

The following tables show, respectively, for Level 2 and 3 financial instruments, the accounting portfolio, a summary of the types of instruments in use at the Group, and evidence of the related valuation techniques and the inputs used.

Items	Fair value Level 2 30 06 2025							Type	Measurement approach	Inputs used
	Financial assets held for trading	Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Financial liabilities held for trading	Financial liabilities measured at fair value	Hedging derivatives			
Debt securities	233.9	2.8	1.3	X	-	124.6	X	Bonds	Discounted Cash Flow	Rate curve, CDS curves, baseline (yield), inflation curves
								Structured Bonds	Discounted Cash Flow	Interest rate curve, CDS curves, baseline (yield), inflation curves + parameters necessary to measure the optional component
								Notes	Discounted Cash Flow	Rate curve, CDS curves, baseline (yield)
Equity instruments	15.0	-	8.4	X	X	X	X	Notes	Market price	Market price
								Shares/Equity investments	Market price	Market price, recent transactions, appraisals, operator reports
								Equity investments	Discounted cash flow	Share prices, sector beta, risk-free rate
								Equity investments	Net asset adjusted	Carrying Amount Asset/Liabilities
								Equity investments	Discounted cash flow	Share prices, sector beta, risk-free rate
Financial derivatives	2,239.9	X	X	484.6	986.1	X	271.1	IRS/Asset/Currency Swaps	Discounted Cash Flow	Rate curve, CDS curve, baseline (yield), inflation curve, exchange rates, rate correlation
								Equity swaps	Discounted Cash Flow	Share prices, rate curve, exchange rates
								Forex Singlename Plain	Option Pricing Model	Rate curve, exchange rates, forex volatility
								Forex Singlename Exotic	Option Pricing Model	Rate curve, exchange rates, forex volatility (surface)
								Equity Singlename Plain	Option Pricing Model	Rate curve, share prices, exchange rates, Equity Volatility
								Equity Singlename Exotic	Option Pricing Model	Rate curve, share prices, exchange rates, Equity Volatility (surface), model parameters
								Equity Multiname Plain	Option Pricing Model	Rate curve, share prices, exchange rates, equity volatility, quantum correlations, equity-equity correlations
								Equity Multiname Exotic	Option Pricing Model	Rate curve, share prices, exchange rates, equity volatility (surface), model parameters, quantum correlations, equity-equity correlations
								Plain rate	Option Pricing Model	Rate curve, inflation curves, bond prices, exchange rates, rate volatility, rate correlations
								Foreign currency transactions	Market price*	Market price, Swap Point
Credit derivatives	1.7		X	-	123.8		-	Default swaps	Discounted Cash Flow	CDS curves, rate curve
Total assets	2,490.6	2.8	9.7	484.6	X	X	X			
Total liabilities	X	X	X	X	1,129.2	124.6	271.1			

*prices for identical financial instruments listed in non-active markets (IFRS 13 par. 82 lett. b).

Fair value Level 3 30 06 2025							
Items	Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Financial liabilities held for trading	Type	Measurement approach	Non-observable inputs	Range (weighted average)
Debt securities	36.4	-	-	Notes	Discounted Cash Flow	Discount rate	10.4%
				Participating financial instruments	Credit Model	Fair value asset	0-12.5 Eur/mln
Equity instruments	1.2	165.8		Equity investments	Discounted Cash Flow	Liquidity/Equity Risk Premium/Beta baselines	20%/8%/0.4
				Equity investments	Cost/Shareholders' equity	Fair value asset	0-12.7 EUR/mln
Loans	147.8	-	X	Loans	Discounted Cash Flow	NPE spread	1.92% - 2.13%
				Loans	Discounted Cash Flow	LGD	0.12% - 72.79%
				Loans	Discounted Cash Flow	PD	0.07% / 41.74%
				Loans	Discounted Cash Flow	PE spread	0.04% - 0.99%
UCITS units	248.4	X	X	Reserved Closed-end Fund	External pricing	Fair value asset	5.4 EUR/mln
				Closed-end Real Estate Funds	External Pricing (Report on Operations)	Fair value asset	8.5 EUR/mln
				Private Equity Funds	Nav Investor report	Report on operations, technical sheet of assets held in the portfolio	0.04-9.60 EUR/mln
				Alternative Investment Funds	Discounted Cash Flow	Discount rate	8.33% - 10.53%
Financial derivatives	X	X	1.0	IR/Asset/Currency Swaps	Discounted Cash Flow	Surrender Rate	No dynamics/Stochastic volatility
Total assets	433.8	165.8	X				
Total liabilities	X	X	1.0				

A description of Level 3 financial instruments that show significant sensitivity to changes in unobservable inputs is provided below.

The column "Other financial assets mandatorily measured at fair value" in the category "Debt securities" measured using the Discount Cash Flow method includes both mezzanine and junior tranches referring to the securitisation of a portfolio of loans classified as non-performing loans called "Siena NPL" for EUR 20.4 mln. For this position, the change in the discount rate (+/-1%) and in the flows of expected distributions (+/-10%), would determine a range of values of EUR 18.4-19.3 mln and EUR 19.9-17.7 mln, respectively.

Also worth mentioning in this category are approximately EUR 13.2 mln relating to some equity investments acquired by the Group under credit restructuring agreements which the sensitivity analysis was not carried out as the unit value of the individual exposures is below the minimum materiality threshold established by the Group.

The column "Other Financial assets mandatorily measured at fair value" also includes loans (EUR 147.8 mln) that are mandatorily measured at fair value. The unobservable parameters are Probability of Default (PD), Loss Given Default

(LGD) and the different spreads for performing and non-performing assets. The change in these parameters, of 10%, 5%, 1% and 1%, respectively, would have an impact on fair value of approximately EUR -4.8 mln.

The majority of the UCITS units, amounting to EUR 114.9 mln, refer to fund units received in exchange for the disposal of non-performing loans (Back2Bonis, IDEA CCR I, II, Clessidra, and Efesto). The change in the discount rate (+/-1%) and forecasted distributions (+/-10%) would result in the following range of values: EUR 113.1 - 116.8 mln and EUR 126.2 - 103.6 mln respectively.

The category of UCITS units also contains the total contributions made from June 2016 onwards to the Italia Recovery Fund (formerly Atlante due) for a carrying amount of EUR 5.4 mln calculated on the basis of the latest available NAV.

Finally, the UCITS category also includes private equity funds and closed-end real estate funds amounting to EUR 128.1 mln, of which EUR 88.0 mln correspond to the positions of Fondo Etrusco Distribuzione (EUR 82.9 mln) and Fondo Democrito (EUR 5.1 mln). The change in default probability (+/-1%) and recovery rates (+/-10%) for these positions would result in a range of values of EUR 88.2-87.9 mln, respectively. With regard to the remaining positions, it was not possible to carry out any quantitative analysis of the sensitivity of the fair value with respect to the change in unobservable inputs, as the fair value is the result of a model whose inputs are specific to the entity being measured and for which the information necessary for a sensitivity analysis is not available.

The “Financial assets measured at fair value through other comprehensive income” accounting portfolio includes the equity investment in Bank of Italy (EUR 137.5 mln), measured using the Discounted Cash Flow method. The equity investment was measured with the methodology identified by the Committee of Experts in the document “Revaluation of shareholdings in the Bank of Italy”. This document not only details the valuation techniques adopted to reach the end result, but identified the following entity-specific parameters: the market beta, equity risk premium, and the cash flow base. The valuation of that equity investment is also confirmed in market transactions carried out in recent years by certain banks. The range of possible values that can be assigned to these parameters cause the following changes in value: approximately EUR -9 mln for every 100 bps increase in the equity risk premium, around EUR -14 mln for every 10% increase in the market beta, and about EUR -16 mln for every 10% increase in the liquidity base.

This category also includes equity securities representing all equity investments designated at fair value that could not be measured according to a market-based model. These positions amount to approximately EUR 28.3 mln. A sensitivity analysis was not conducted for these positions for the same reasons as above with reference to the UCITS.

Financial liabilities held for trading include financial derivatives (approximately EUR 0.9 mln) included for the correct management of the lapse risk inherent in commission flows deriving from the placement of certain unit-linked policies. A sensitivity analysis was not carried out for these positions as they were not considered material for the Group.

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis

Financial asset/liabilities not measured at fair value or measured at fair value on a non-recurring basis	30 06 2025		31 12 2024	
	Book value	Total Fair value	Book value	Total Fair value
1. Financial assets measured at amortised cost	93,140.0	92,263.7	90,525.9	89,901.3
3. Non-current assets held for sale and disposal groups	1,176.0	1,090.0	1,128.7	80.4
Total Assets	94,316.0	93,353.7	91,654.6	89,981.7
1. Financial liabilities measured at amortised costs	103,742.5	104,041.0	102,751.4	103,074.2
2. Liabilities associated to disposal groups held for sale	978.7	978.7	976.7	976.7
Total Liabilities	104,721.2	105,019.7	103,728.1	104,050.9

With reference to paragraph 93 letter (i) of IFRS 13, the Group does not hold any non-financial assets measured at fair value whose current use does not represent its best possible use.

With reference to paragraph 96 of IFRS 13, the Group does not apply the portfolio exception provided for in paragraph 48 of IFRS 13.

In regard to assets under disposal, only the assets measured at fair value or at fair value less disposal costs were indicated.

Disclosure on risks

Risk Governance

Risk governance strategies are defined in line with the Group Business Model, medium-term 2024-2028 Business Plan objectives and external regulatory and legal requirements.

Policies relating to the assumption, management, coverage, monitoring and control of risks are defined by the Board of Directors of the Parent Company. Specifically, the Board of Directors periodically defines and approves strategic risk management guidelines and quantitatively expresses the Group's overall risk appetite.

In fact, the Parent Company's Board of Directors defines the overall Risk Appetite Framework (RAF) for the Group and approves the "Group Risk Appetite Statement" (RAS) at least once per year.

The RAF Governance process is centralised within the Parent Company, which outlines its relevant perimeter at Group level and defines its structure in Group companies, according to the risks assumed, size and operational complexity of each legal entity. The RAF defines the roles of corporate bodies and functions involved in defining the "risk appetite" and the procedures to be implemented if it becomes necessary to restore the level of risk to the objective or within the pre-established limits.

The RAS represents an essential element in defining the Group's risk strategy. The RAS is the formal document that contains the explicit declaration of the risk/return objectives/limits (overall, by type and broken down by individual companies/business units) that the Bank intends to assume to pursue its strategies. Therefore, with the RAS, the risk objectives/restrictions are identified and the indicators are broken down by Business Unit/Legal Entity (known as "cascading down" of the Risk Appetite). The objective is to increase the Group's Risk Culture and fully instil accountability in all relevant business units with regard to achievement of the risk appetite objectives, as required by the regulations and recommended by best practices.

The Risk Appetite Process is structured so as to ensure consistency with the ICAAP and ILAAP as well as with Planning and Budget and Recovery processes, in terms of governance, roles, responsibilities, metrics, stress testing methods and monitoring of key risk indicators.

For additional information, see the Consolidated Financial Statements as at 31 December 2024, available in the Investor Relations section of the website www.mps.it.

Internal Capital

Risk assessment models

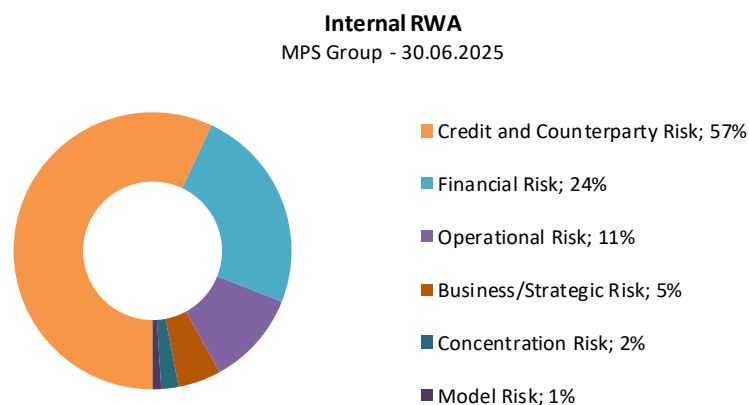
The Overall Internal Capital (or Overall Absorbed Internal Capital) is the minimum amount of capital resources required to cover economic losses resulting from unforeseen events caused by the simultaneous exposure to different types of risk.

With regard to the methods used to measure Internal Capital, compared to what is noted in the Explanatory Notes to the Consolidated Financial Statements as at 31 December 2024, there are no significant methodological changes to report.

The approach used to quantify and supplement the risks-to-capital with regard to which the Group is exposed is known as Pillar 1 Plus. This approach envisages that the Pillar 1 requirements for Credit and Counterparty Risk (which already include those relating to Issuer Risk on the Banking Book, Equity Investment Risk and Real Estate Risk) and Operational Risk, be increased (avoiding double counting) by the requirements from internal models relating to Market Risks, of both Trading Book and Banking Book, Banking Book Interest Rate Risk (Financial Risk), Credit Spread Risk and Issuer Risk of the Banking Book, Concentration Risk, and Business/Strategic and Model Risk.

Overall Internal Capital is calculated without considering inter-risk diversification, therefore by directly adding together the internal capital contributions of the individual risks (Building Block approach). This approach aims to incorporate the indications in the SREP (Supervisory Review and Evaluation Process) Guidelines published by the EBA.

Risk exposure



The Group also manages and quantifies Liquidity Risk on an ongoing basis (risk-to-liquidity, as defined in the SREP Guidelines) through internal organisational methodologies and policies.

Main risks and uncertainties

Risk identification

The Group's main risks and uncertainties at the date of these Consolidated financial statements, are credit risk, market risk (including interest rate risk on the banking book and issuer risk), operational risk (including legal and cyber risk) and liquidity risk.

Further risks and uncertainties are also noted in connection with the potential outcomes of regulatory stress testing exercises and to the economic and social environment.

The risks classified as high as well as other risks to which the Group is exposed are described in more detail below.

Credit risk

Lending represents the Group's core business and the main risk component, accounting for about half of the Group's total risk-weighted assets (and more than half of the Group's Pillar 1 risk-weighted assets). The classification as high risk remained unchanged compared to the previous year, especially given the uncertainties intrinsic to the general and sector macroeconomic context.

In detail, the ongoing international geopolitical tensions arising from Russia's war against Ukraine and the conflict in the Middle East – negatively affecting international trade in terms of security and costs – as well as trade tensions linked to the increase in tariffs imposed by the US administration, could adversely impact the ability of the Group's customers to meet their obligations. This could, in turn, lead to a significant deterioration in the credit quality of the Parent Company and/or the Group, with potential negative effects on the operations and the economic, equity, and/or financial position of the Parent Company and/or the Group.

Moreover, the occurrence of counterparty defaults due to the changed macroeconomic environment could require increased provisions, with adverse effects on the Group's results.

In this context, the Group continued in 2025 to monitor its loan portfolio in sectors most affected by heightened geopolitical risk and, with regard to non-performing loans, carried on with initiatives aimed at containing the stock of NPLs.

Market risk

Market risk remains a significant risk to which the Group is exposed, due to the potential volatility of underlying variables in a general context of uncertainty. This is still marked by an adverse geopolitical scenario, with the ongoing war in Ukraine and conflicts in the Middle East, and by global instability resulting from the tariffs announced by the United States in April. Although the inflation rate is close to the ECB's target, the risk of recession in the EU persists, impacting consumer spending and businesses, and consequently financial markets, due to the geopolitical uncertainties and tariffs mentioned above, as well as the strengthening of the euro. Monetary policy has remained accommodative throughout the year, although an escalation in geopolitical tensions could slow the pace of rate cuts. The BTP -Bund spread has improved, reaching its lowest level since 2010, supported by a context of political stability, moderate but steady economic growth, and structural reforms under the National Recovery and Resilience Plan (PNRR).

In particular, market risk mainly relates to sovereign exposures in both the trading book and the banking book. However, over the course of the year, there was a reduction in overall exposure to Italian government securities within the FVOCI (Fair Value through Other Comprehensive Income) component of the banking book, reflecting increased portfolio diversification towards core European sovereign bonds. The points of attention include the exposure and concentration in Italian government bonds in terms of issuer risk, for positions mainly classified at amortised cost and the portfolio's relative vulnerability to unfavourable changes in market conditions, particularly on interest rates and Italy's credit spread, regarding securities in FVOCI. In this context, as a condition of greater capital stability, the Group's decision to apply the temporary prudential filter up until December 2025 to positions in FVOCI is highlighted¹².

¹² See Article 468 of Regulation (EU) 2020/873, regarding the option, reintroduced by the new prudential regulation "CRR3", to sterilise from regulatory capital the positive and negative effects of the OCI reserve on government bonds, previously in force from June 2020 until December 2022 as part of the measures in response to the pandemic.

The strategy implemented by the Group for interest rate risk management has reduced exposure to interest rate fluctuations, pursuing a twofold objective: on one hand, the optimisation and protection of the net interest margin; on the other, the safeguarding of the economic value of capital over the medium to long term.

During the first half of the year, activities were primarily focused on hedging commercial assets and fixed-income liabilities. These interventions aimed to achieve and maintain an appropriate level of sensitivity in terms of both projected net interest margin and the economic value of capital.

Any adjustments to the strategy will be assessed and implemented should developments in the macroeconomic environment make them necessary.

Operational risk

Operational risk is defined as the risk of incurring losses deriving from the inadequacy or the failure of processes, human resources, and internal systems, or from external events, including legal, conduct and IT & security risk. The classification as high risk has, as a precaution, remained unchanged compared to the previous year despite the *positive trend* in civil and criminal rulings recorded since the fourth quarter of 2023, particularly with regard to legal disputes related to capital increases and the disposal of *non-performing* loans, for which uncertainties remain concerning the outcome of pending claims regarding alleged breaches of contractual clauses (*Representations & Warranties*).

The Group used the internal AMA model to calculate the capital requirement until 31 December 2024. As of 1 January 2025, the Basel IV reform came into effect with the publication of European Regulation 2024/1623, which fundamentally changed the methodology for calculating operational risk RWA. It eliminated the use of internal models and introduced a single new standardised calculation method known as the SA (Standardised Approach).

The standardised method determines the capital requirement based on business size (BI – Business Indicator), using the three-year average of specific income statement items, weighted by regulatory coefficients that vary by tranche.

In consideration of the centrality of the Information System and the technological innovations supporting the Group's strategic plan, among the other components of operational risk, the latter pays particular attention to ICT and security risk. Also due to the evolution of the regulatory context, technological developments and uncertainties linked to the continuous changes in the landscape of external threats. These risks are governed by a specific framework, recently adapted to the provisions of the European DORA Regulation, and by activating continuous monitoring and mitigation actions on specific risk areas. As part of the strengthening of the risk culture, staff training and awareness-raising on cyber risk are carried out.

Funding risk and liquidity risk

In general, during the first half of 2025, the Group's liquidity profile remained at very strong levels.

With regard to funding risk, the sustainability of the funding profile (understood as the ability to finance banking activities with stable resources) remains high, as evidenced by the levels of medium/long-term liquidity indicators.

With reference to short-term liquidity risk, after having experienced, in the past, phases of stress on liquidity, the Group has maintained short-term liquidity indicators at very high levels in recent years. As at 30 June 2025, the total amount of ECB auctions was EUR 8 bn (EUR 4 bn in MROs and EUR 4 bn in LTROs), down compared to EUR 8,5 bn at the end of December 2024.

Regardless of the adequacy levels, the classification of liquidity risk remains high due to its specific nature, as fast-moving, systematic or idiosyncratic crises may develop, with immediate and strong repercussions on both customer behaviour and market access.

Other risks and uncertainties

Risks associated with regulatory stress tests

As part of prudential supervisory activities, the ECB, in cooperation with the EBA and the other competent Supervisory Authorities, performs periodic stress tests on supervised banks in order to check bank resilience with respect to baseline and adverse macroeconomic scenarios. The impact of these tests depends on assessment methodologies, stress scenarios and the outcome of the quality assurance activities taken as a reference by the Supervisory Authorities. The Montepaschi Group is therefore exposed to the uncertainties arising from the outcome of these exercises, consisting of the possibility of incurring a potential tightening of the capital requirements to be met, if the results bring to light particular Group vulnerability to the stress scenarios employed by the Supervisory Authorities. Please note that the Group was included in the sample of banks required to participate in the EBA EU-wide Stress Test 2025. The final results were published by the EBA/ECB on 1 August 2025 and by Banca MPS on its institutional website.

Risks related to the economic-political context

The Group's results are influenced by the general economic context and the financial market trend and, in particular, the economic performance of Italy as the country in which the Group almost exclusively operates.

In a phase of relative global slowdown, the environment remains complex and marked by high uncertainty, linked to the evolution of geopolitical tensions and international trade policies. The continuation of the conflicts in Ukraine and the Middle East, combined with import tariff measures introduced by the United States – within an evolving framework of announcements, suspensions, and bilateral negotiations – affects both global and domestic growth prospects, with potential impacts on the Group's business performance. A further intensification of protectionist policies, potentially amounting to an outright trade war, could exacerbate global diplomatic tensions and accelerate the fragmentation of current global governance structures. This would have consequences for international trade, the resilience of the global economic cycle, and market stability. Escalation of the ongoing conflicts, with repercussions for energy markets and trade routes, poses a risk to the ongoing moderation of global inflation and could influence the monetary easing process currently underway at central banks. Should the adjustment in prices prove less pronounced than expected – partly due to inflationary effects of tariffs – authorities may be prompted to maintain key interest rates at high levels for a longer period, which could dampen economic activity and increase tensions on financial markets.

Strongly protectionist trade policies by the United States, together with a hypothetical and gradual withdrawal from climate, healthcare, and defence policies, tighter control over migration flows, and reduced efforts to contain public spending, potentially leading to a deterioration in federal debt, could negatively affect medium-term global growth. In Europe, although the outcome of the German elections has reduced the risk of a nationalist shift, difficulties remain in reaching consensus on key strategic matters such as the response to US tariffs, trade relations with China, support for Ukraine, fiscal policies, and the completion of the banking union and capital markets union. The absence of a fully operational common foreign and security policy could limit the European Union's ability to respond in a timely and coordinated manner to external shocks, including military ones. Further risk factors for the global economic outlook stem from the slowdown of the Chinese economy, affected by the domestic real estate crisis, the potential for international currency tensions, frictions between the US and China in the Pacific region, the expansion of regional conflicts in the Middle East, and the risk of a resurgence in international terrorism.

Domestically, partial or delayed implementation of the measures set out in the revised National Recovery and Resilience Plan (NRRP) could reduce support for growth, in a context of still moderate internal demand. The tightening required of national fiscal policy, in light of the entry into force of the reformed EU fiscal rules and progress on reducing Italy's excessive deficit, could weigh on household disposable income and corporate earnings. At the same time, a fiscal policy perceived as not fully aligned with the goal of public finance sustainability, in a context of weaker expected growth, could negatively affect sovereign risk perception, drive up the spread, and tighten financing conditions. From an operational standpoint, and particularly in some economic sectors, Italy could be more adversely affected by increased tariffs on exports to the US, due to its strong trade ties with that market. Climate transition, technological innovation, and demographic trends will also increasingly influence policymaking, with potentially significant impacts on national economic dynamics. Should such risks result in stagnation or a recession in the Italian economy in the medium term, this could negatively affect the main banking aggregates and there could be potentially significant impacts on the economic and financial position of the Bank and the Group. In particular, for the banking sector, there could be a decline in demand for credit, a decrease in customer funding primarily with reference to businesses, a slowdown in ordinary banking activity, a deterioration in the loan portfolio with a simultaneous increase in non-performing loans and situations of insolvency, a deterioration in revenues and increase in adjustments to receivables, with negative effects on the Group's

business and economic, financial and asset situation. New inflationary pressures could also lead to an increase in operating costs.

Lastly, note that any significant deviations between the actual macroeconomic dynamics and those assumed in the long-term planning processes could have repercussions on the Group’s operating results and on the prospective economic, equity and/or financial situation of the Group.

Credit risk

Credit risk management

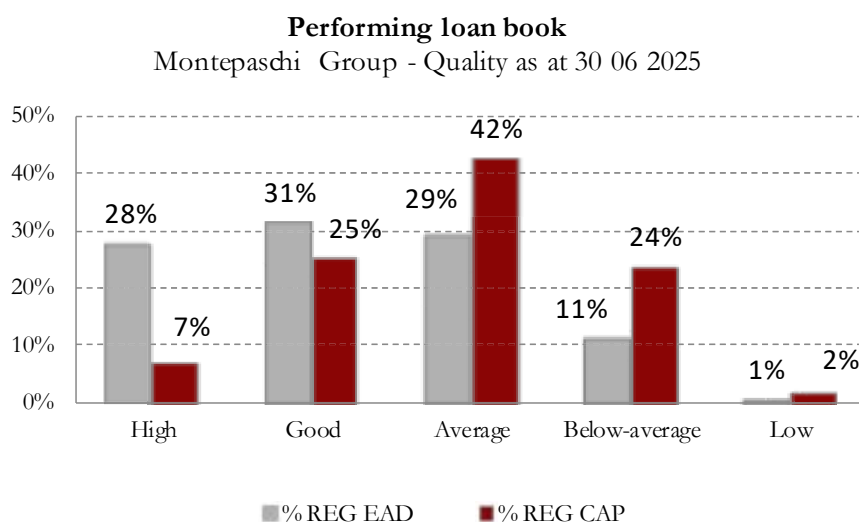
The advanced internal rating-based (AIRB) approach, based on internal ratings, have been used for some time as part of the internal capital adequacy assessment process (ICAAP). Specifically, the Group adopts internal estimates for PD, LGD and EAD on the business portfolio and retail exposures of Banca MPS and Widiba. In general, these internal models, as well as for reporting purposes, are used in various management processes for the Group’s operating purposes.

As from 2025, the CRR3 reporting framework has entered into force. Among other changes, it introduced the “Foundation Interest Rate Based (FIRB)” model for Large Corporate counterparties, which involves the use of internal estimates for Probability of Default (PD) and standard grids for Loss Given Default (LGD). The data underlying the charts in this section have therefore been processed in accordance with the new framework; the comparative data as at December 2024 have also been restated accordingly to ensure consistency over time.

Credit quality is part of a monthly monitoring process aimed at ensuring compliance with the thresholds established both in the Risk Appetite Framework (RAF) and in the Credit Policies in order to ensure consistency on an ongoing basis between the Group’s actual risk profile and the risk appetite decided ex-ante by the Board of Directors.

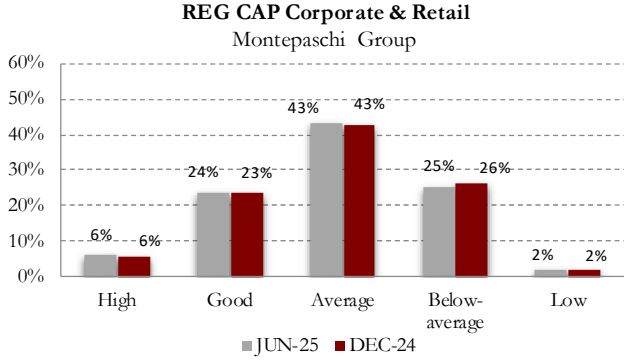
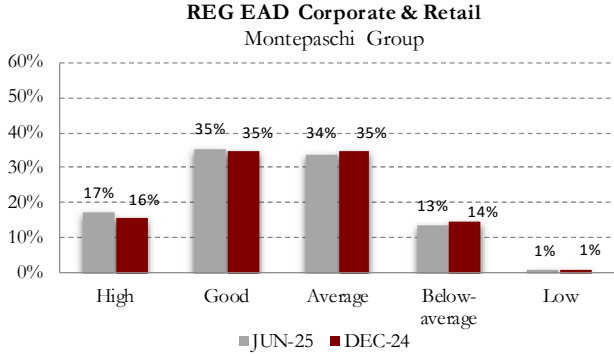
The Group has always been committed to the acquisition of instruments for greater credit protection involving a reduction in credit risk. To this end, the guarantees typical of banking activity are acquired, when deemed necessary.

The chart below provides a credit quality breakdown of the Group portfolio as at 30 June 2025 by Exposure to Risk (REG EAD) and Regulatory Capital (REG CAP). It should be noted that about 59% (59% as at 31 December 2024) of risk exposure relates to high- and good-quality customers (positions in financial assets are excluded). It should be noted that the ranking below also includes exposure to banks, government agencies and non-regulated financial and banking institutions, which are not included in the AIRB approaches. The quality is measured in terms of probability of default assigned to customers through the AIRB models of the MPS Group. Non-AIRB counterparties are nevertheless subject to a credit standing assessment using official ratings where available or appropriate internally determined benchmark values.

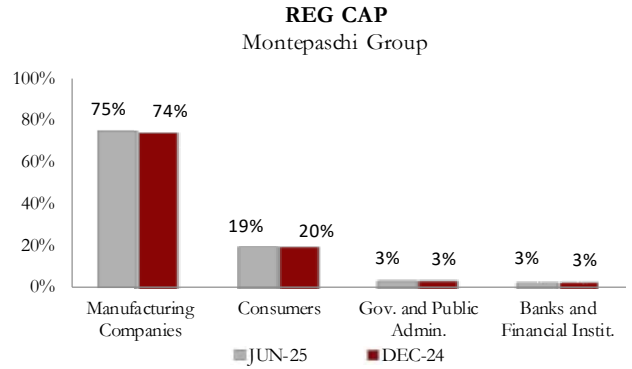
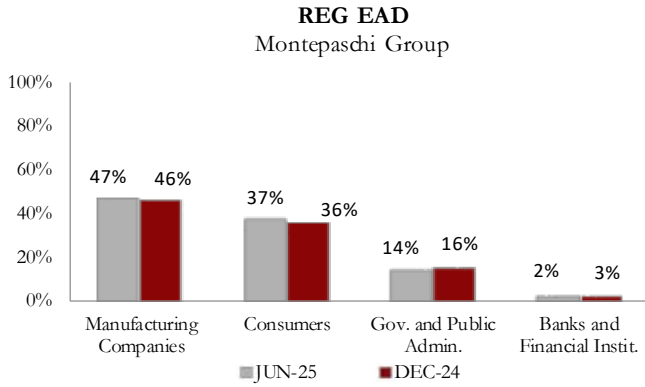


Risk exposure

The charts below provide a credit quality breakdown of the MPS Group’s portfolio (BMPS and Widiba) as at 30 June 2025 compared to the end of 2024 for Regulatory Exposure at Default (REG EAD) and *Regulatory Capital* (REG CAP) of the performing Corporate and Retail portfolios.



The charts below show the distribution of the MPS Group’s REG EAD and REG CAP by type of customer as at 30 June 2025 compared to the end of 2024.



Counterparty credit risk

Risk assessment model

With regard to Counterparty Risk measurement methods, there are some significant changes to report compared to 2024:

- The Group, as required by supervisory regulations, for the purposes of measuring exposure to Counterparty Risk uses the regulatory approach defined by Regulation (EU) 575/2013 in force, taking into account its amendments and corrections. The determination of the Exposure at Default (EAD) for derivatives and LST (Long Settlement Transactions) transactions is carried out using the “standardised method for counterparty risk” (SA CCR approach) and the “comprehensive method for the treatment of financial collateral” for SFT (Securities Financing Transactions) transactions. For the purposes of defining RWA (Risk-weighted asset) levels, the reference legislation has undergone a series of changes with amendments introduced starting from the beginning of 2025 with the new “CRR3” regulation. For management purposes, the MPS Group maintains the “market value method” for the Potential Future Exposure component and the SA CCR method for the Replacement Cost component in identifying EAD levels for the Derivatives and LST sectors, while for the SFT sector it uses the “comprehensive method for the treatment of Financial Collateral”.
- The counterparty risk measurement perimeter comprises all Group banks and subsidiaries, with regard to positions held in the Supervisory Banking Book and Trading Book.
- The capital requirement for Credit Value Adjustment (CVA) complements the credit risk requirement by covering unexpected losses on in-scope exposures, based on the asset category of the counterparty and its credit quality level, excluding exposures to intragroup entities, central counterparties, and non-financial counterparties as defined under Regulation (EU) 648/2012, as amended and corrected. The Group calculates the CVA requirement using the Basic Approach (BA-CVA) under Regulation (EU) 575/2013, taking into account its subsequent amendments and corrections. To calculate this requirement, the input EAD value follows what is indicated in the first point of this paragraph.

Exposure to sovereign debt risk

Below is a breakdown of the Group's exposure to sovereign debt risk in government bonds, loans and credit derivatives as at 30 June 2025.

The exposure is broken down by accounting categories.

COUNTRY	DEBT SECURITIES					LOANS	CREDIT DERIVATIVES
	Financial assets measured at fair value through profit and loss		Financial assets measured at fair value through other comprehensive income		Financial assets measured at amortised cost	Financial assets measured at amortised cost	Financial assets held for trading
	Nominal	Market value = net book value	Nominal	Market value = book value	Book value	Book value	Nominal
Argentina	0.4	-	-	-	-	-	-
Belgium	-	-	33.0	23.7	-	-	-
France	-	-	200.0	194.9	10.2	-	-
Italy	2,638.2	2,375.0	867.0	856.1	8,151.6	1,515.4	1,417.3
Mexico	0.1	-	15.0	12.0	-	-	-
Peru	-	-	2.0	1.7	-	-	-
Portugal	0.3	0.2	19.6	10.6	2.8	-	-
Romania	-	-	30.0	25.9	-	-	-
Spain	-	-	-	-	653.2	-	-
United States of America	264.8	249.7	44.1	32.2	-	-	-
Republic of South Africa	-	-	5.0	5.2	-	-	-
Other countries	-	0.1	-	-	-	-	-
Total 30 06 2025	2,903.8	2,625.0	1,215.7	1,162.3	8,817.8	1,515.4	1,417.3
Total 31 12 2024	1,841.2	1,573.2	1,691.7	1,589.7	9,087.5	1,528.1	1,475.9

As at 30 June 2025, the residual duration of the exposures to the most significant component of sovereign debt (Italian government bonds) was 6.49 years. The overall exposure on loans and debt securities amounted to EUR 14,120.5 mln, almost entirely in Italian debt. Exposures to Italy are almost entirely classified in level 1 of the fair value hierarchy, less EUR 403.1 mln classified in level 2 and mainly attributable to government securities.

Market risks

The Group's Regulatory Trading Book (PNV - Portafoglio di Negoziazione di Vigilanza) consists of the set of Trading Books managed by the Parent Company (BMPS), in particular by the Chief Financial Officer (CFO) Division and the Chief Commercial Officer Large Corporate & Investment Banking (CCO LCIB or LCIB) Department. The subsidiaries' portfolio are immune to market risk. Trading in derivatives, which are brokered on behalf of customers, is centralised at LCIB Department.

The market risks in the trading book are monitored in terms of Value-at-Risk (VaR) for operational purposes. The Group's Finance and Liquidity Committee is responsible for directing and coordinating the overall process of managing the Group's proprietary finance thereby ensuring that the management strategies of the various business units are consistent.

The Group's Trading Book is subject to daily monitoring and reporting by the Risk Management function of the Parent Company on the basis of proprietary systems. VaR for management purposes is calculated separately from the operating units, using the internal risk measurement model implemented by the aforementioned function, in line with leading international best practices. The Group uses the standardised methodology in the area of market risks solely for reporting purposes.

Operating limits defined for trading activities are expressed by level of delegated authority in terms of VaR, which is diversified by risk factors and portfolios, monthly and annual stop losses, and stress. Furthermore, the trading book's credit risk, in addition to being included in VaR computations and in the respective limits for the credit spread risk component, is also subject to specific operating limits for issuer and bond concentration risk which specify maximum notional amounts by type of guarantor and rating class.

Periodically, information on market risks is transmitted to the Risk Management Committee and to the Top Bodies as part of the information flows with which Top Management and the Governing Bodies are informed about the Group's overall risk profile.

For methodological details regarding the internal model, please refer to the Notes to the Consolidated Financial Statements as at 31 December 2024 (Part E – Information on risks and related hedging policies – Section 2 – Market Risks).

During the first half of 2025, the market risks of the Group's Regulatory Trading Book, measured in terms of Value at Risk (VaR), reflected the activities of the Parent Company's LCIB division. These were primarily related to primary dealer operations on Italian government securities (credit spread and interest rate segments, with hedging through swaps and long futures) and, in the latter part of the half-year, to directional trading in the interest rate segment, client-driven activities linked to the structuring of bancassurance products (equity segment), and derivatives traded with corporate and institutional clients (interest rate, forex, and commodity segments). The CFO Department's portfolio contribution to total VaR was negligible.

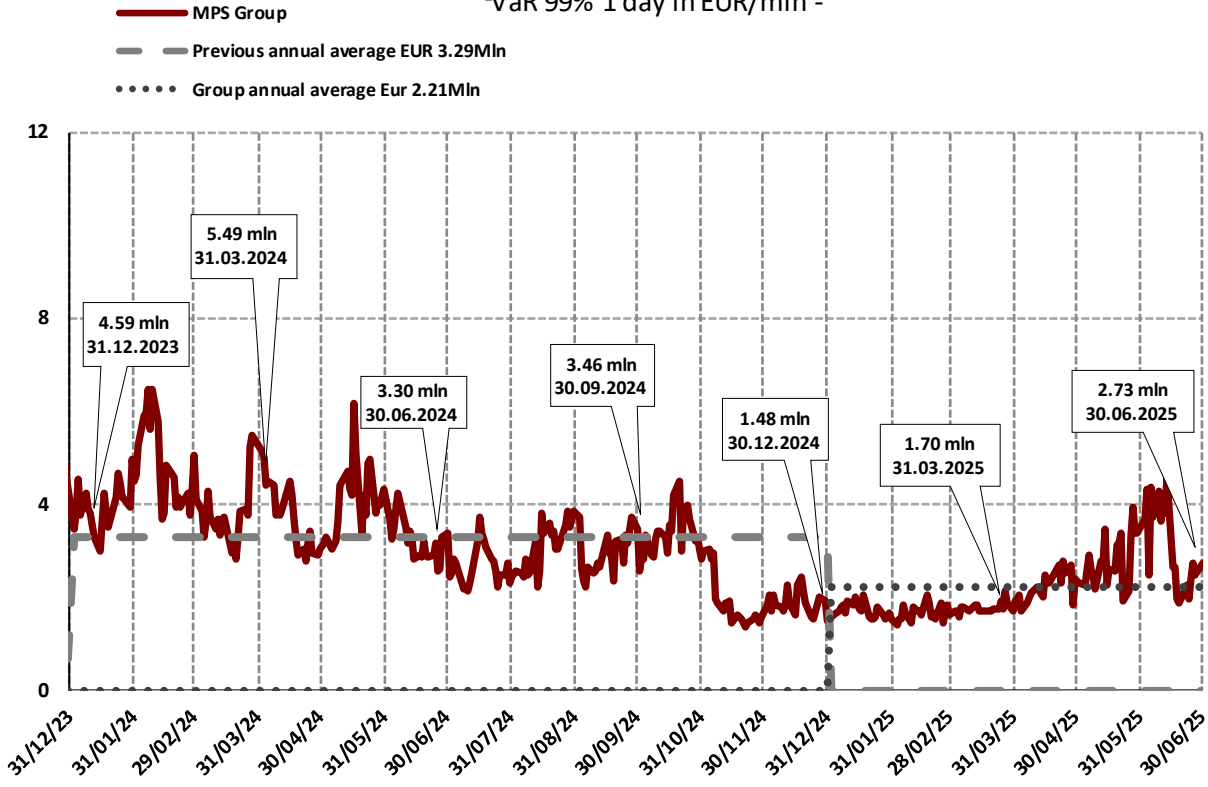
The Group's VaR remained at lower average levels compared to the previous year, reflecting the continuation of a general risk containment process, with more pronounced volatility in the second quarter mainly due to a temporary increase in directional trading exposure on interest rate derivatives, which was closed before the end of the half-year.

As of 30 June 2025, the entire portfolio of securities valued at amortised cost, with related accounting hedges, has an interest rate sensitivity of approximately EUR -3.77 mln per bps, of which EUR -2.82 mln per bps for the Italian government portfolio alone, in addition to this, a sensitivity to the Italian credit spread of approximately EUR -5.65 mln per bps. As of the same date, the entire government portfolio has an implicit capital loss of EUR 272 mln, of which EUR 188 mln for the Italian government portfolio alone. For positions in FVOCI securities, with related accounting hedges, there is an interest rate sensitivity of approximately EUR -0.74 mln per bps, of which EUR -0.24 mln per bps for the Italian government segment. The sensitivity to the Italian credit spread for this accounting category amounts to approximately EUR -0.30 mln per bps.

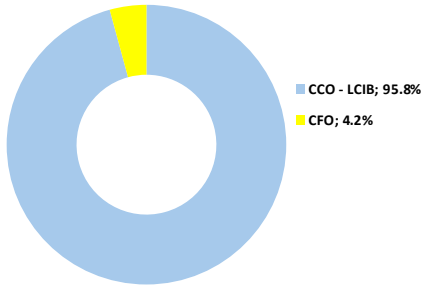
The average holding of Italian sovereign bonds in the Group's trading portfolios remained broadly stable (with a nominal average of EUR 3.11 bn in the first half of the year), at levels higher than the 2024 average (EUR 1.08 bn), with some temporary increases in exposure coinciding with auctions related to the above-mentioned primary dealer activity.

Mps Group: Trading Book

-VaR 99% 1 day in EUR/mIn -

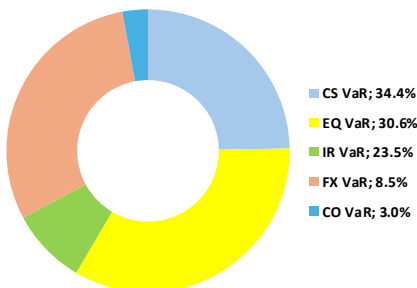


VaR MPS Group
Trading Book
VaR Breakdown per Risk Management: 30.06.2025



With reference to the Parent Company management, LCIB CCO contributed 95.8% to the overall risk as at 30 June 2025, while the CFO contributed 4.2%.

VaR MPS Group
Trading Book
VaR Breakdown per Risk Factor: 30.06.2025



In terms of VaR composition by risk factor, the Group's portfolio consisted of 34.4% credit spread risk factors (CS VaR), 30.6% equity risk factors (EQ VaR), 23.5% interest rate risk factors (IR VaR), 8.5% foreign exchange risk factors (FX VaR), and the remaining 3% commodity risk factors (CO VaR).

■ Group MPS

VaR PNV 99% 1 day in EUR/mln

	VaR	Data
End Period	2.73	30/06/2025
Min	1.42	03/02/2025
Max	4.58	13/06/2025
Average	2.21	

During the first half of 2025, the Group's Regulatory Trading Book VaR ranged from a minimum of EUR 1.42 mln on 3 February 2025 to a maximum of EUR 4.58 mln on 13 June 2025, with an average value of EUR 2.21 mln – down from the previous year. The Regulatory Trading Book VaR as at 30 June 2025 was EUR 2.73 mln.

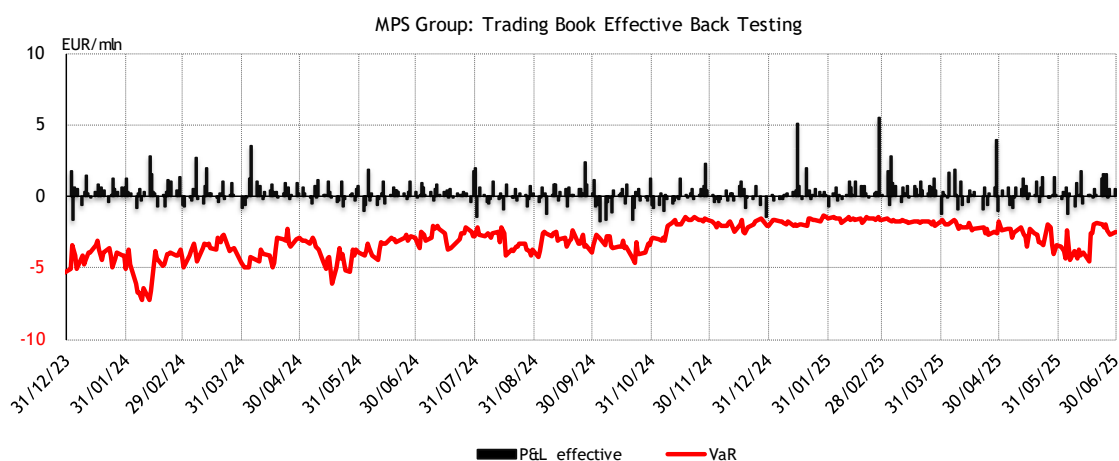
VaR model back testing

The Group has implemented a back testing procedure compliant with current regulations governing Market Risk as part of its own risk management system.

Based on current supervisory instructions, the Risk Management Function considered it appropriate to apply the actual back testing methods, integrating these into the Group's management reporting system.

For methodological details regarding the backtesting of the VaR model, please refer to the Consolidated Notes to the Financial Statements as at 31 December 2024 (Part E – Information on risks and related hedging policies – Section 2 – Market risks).

The chart below shows the actual backtesting results of the internal Market Risks model in relation to the Group's Regulatory Trading Book for 2024 and the first half of 2025:



The backtesting shows no exception in the first half of 2025.

Structured credit product

As at 30 June 2025, the securities positions on structured credit products other than own securitisations had a book value of EUR 26.9 mln, compared to EUR 31.0 mln as at 31 December 2025.

With regard to the regulatory classification, the positions in securities on structured credit products are allocated mainly to the Regulatory Trading Book (95.0% of the total, held by the LCIB Department - Large Corporate & Investment Banking). The main accounting classification refers to the category "Financial assets measured at fair value through profit or loss" (95.0%), followed by the category "Financial assets measured at fair value through other comprehensive income" (5.0%). In terms of the type of underlying asset transferred, commercial mortgages predominate (79.6%) compared to utilities (2.9%) and non-performing loans (17.5%).

Geographically speaking, the loans transferred mainly originated in Italy (97.1%).

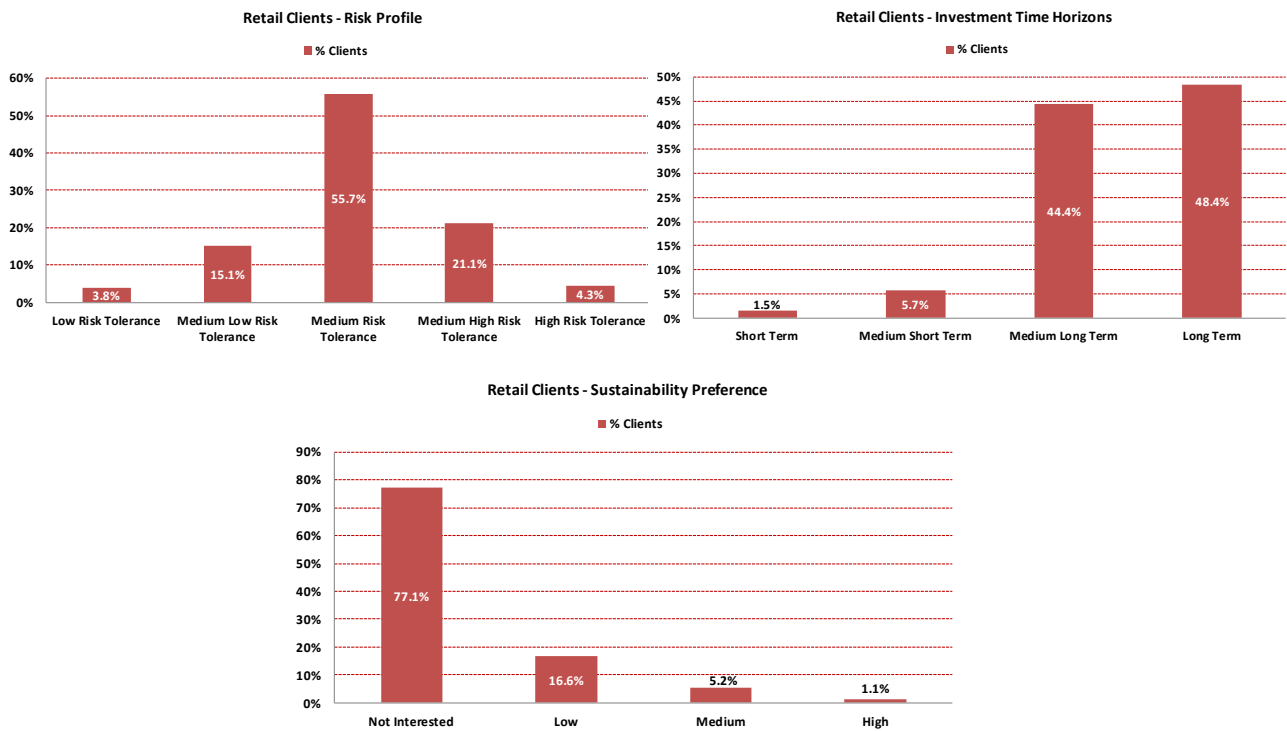
In terms of risk of structured credit products, it is noted that 60.7% of exposures in terms of nominal value are made up of Investment Grade securities (with ratings up to and including BBB-); senior tranches are the most prevalent (57.8%) followed by mezzanine tranches (42.2%), there are no junior tranches.

Financial risks of investment services

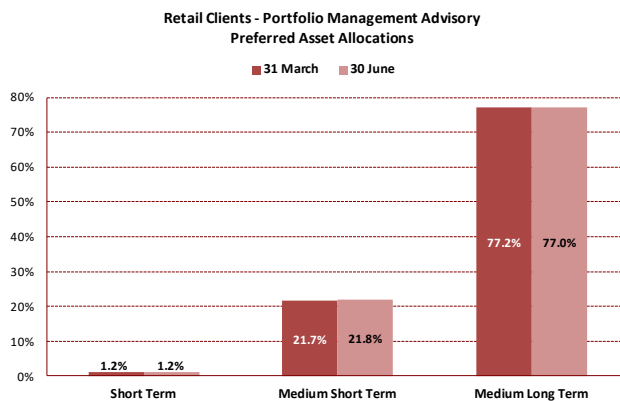
Banca MPS and Banca Widiba adopt customer profiling methods and rules to determine the indicators underlying the customer’s risk profile, using the MiFID questionnaire in line with MiFID II (Directive 2014/65/EU) which, together with the MiFIR or Markets in Financial Instruments Regulation (Regulation (EU) 600/2014), regulate the financial products market.

Within the framework of the regulatory guidance contained in EU Delegated Regulation 2021/1253, which provides for amendments to Delegated Regulation (EU) 2017/565 supplementing MiFID II, intermediaries carry out an assessment of their customers’ sustainability preferences. The customer profiling questionnaire captures the degree of customer preference with respect to environmental, social and governance (ESG) sustainability preferences.

The graphs below show the distribution as at 30 June 2025 of the Investment Objective, Time Horizon and Interest in Sustainability indicators issued by Retail customers of the group who have fully completed the MiFID questionnaire and who hold positions in investment products.



At the end of June 2025, the portfolios held by Private customers on the basis of formalised “advanced” advisory proposals to obtain optimum asset allocation were mainly distributed into the recommended, long-term, asset allocation macro-classes.



Liquidity risk

Liquidity risk management

Liquidity risk is the risk that the Group may not be able to meet its payment commitments, certain or expected with reasonable certainty. Two manifestations of liquidity risk are normally identified: (i) the risk that the Group will not be able, in the short term (liquidity) and/or in the long term (funding), to meet its payment commitments and obligations efficiently; (ii) the risk that the Group may not be able to liquidate an asset without incurring capital losses due to the shallowness of the relevant market and/or as a result of the timing of the transaction.

Liquidity risk is managed and monitored as part of the Internal Liquidity Adequacy Assessment Process (ILAAP), which represents the process by which the Group identifies, measures, monitors, mitigates and reports its liquidity risk profile. As part of this process, the Group carries out an annual self-assessment of the adequacy of the overall liquidity risk management and measurement framework, which also includes governance, methodologies, information systems, measurement and reporting tools. The results of the assessment of the adequacy of the risk profile and the overall self-assessment are reported, at least annually, to the corporate bodies and brought to the attention of the Supervisory Authority.

The management of liquidity is centralised at the Parent Company. The monitoring and control of liquidity risk is carried out on a daily/weekly basis (short-term liquidity) and monthly (structural liquidity) and has the objective of monitoring the evolution of the risk profile by verifying its adequacy with respect to the Risk Appetite Framework and operating limits. In particular, the Group uses a monitoring system that includes both short-term and long-term liquidity indicators. To this end, both regulatory metrics (LCR, NSFR) and metrics developed internally are used, including the use of behavioural and/or optional parameter estimation models, the latter aimed at managing sensitivity on economic value,

Risk assessment model

The Group has used a **Liquidity Risk Framework** for many years now, intended as the set of tools, methodologies, organisational and governance setups which ensures both compliance with national and international regulations and adequate liquidity risk governance in the short (Operating Liquidity) and medium/long (Structural Liquidity) term, under business as usual and stress conditions. The reference Liquidity Risk model for the Montepaschi Group is "centralised" and calls for the management of short-term liquidity reserves and medium/long-term financial balance at Bank level, guaranteeing solvency on a consolidated and individual basis for the Subsidiaries.

The management of the Group's **Operating Liquidity** aims at ensuring the capacity of the Group to meet the cash payment obligations within a short-term time frame. The essential condition for a normal course of business in banking is the maintenance of a sustainable imbalance between cash inflows and outflows in the short term. From the operational perspective, the benchmark metric in this respect is the difference between net cumulative cash flows and Counterbalancing Capacity, i.e. the reserve of liquidity in response to stress conditions over a short time horizon, in addition to the Liquidity Coverage Ratio (LCR) regulatory measure - Delegated Act. From the extremely short-term perspective, the Group adopts a system for the analysis and monitoring of intraday liquidity, with the goal of ensuring normal development during the day of the bank's treasury and its capacity to meet its intraday payment commitments.

Management of the Group's **Structural Liquidity** is intended to ensure the structural financial balance by maturity buckets over a time horizon of more than one year, both at Group and individual company level. Maintenance of an adequate dynamic ratio between medium/long-term assets and liabilities is aimed at preventing current and prospective short-term funding sources from being under pressure. The benchmark metrics are the gap ratios, which measure both the ratio between total funding and loans with maturities over one year, and the ratio between funding and retail loans (regardless of maturity or with maturities exceeding three years), in addition to the regulatory measurement of the Net Stable Funding Ratio (NSFR) in accordance with CRR2, in effect since June 2021. The Group also defined and formalised the asset encumbrance management and monitoring framework with the goal of analysing:

- the overall degree of encumbrance of total assets;
- the existence of a sufficient quantity of assets that may be encumbered but which are free;
- the Group's capacity to transform bank assets into eligible assets (or in an equivalent manner, to encumber non-eligible assets in bilateral transactions).

The liquidity position is monitored under business-as-usual conditions and under specific and/or system-wide stress scenarios based on the Liquidity Stress Test Framework. The exercises have the twofold objective of promptly reporting the Bank's major vulnerabilities in exposure to liquidity risk and allowing for prudential determination of surveillance levels, to be applied to the Liquidity Risk measurement metrics within the scope of the annual Risk Appetite Statement.

Risk exposure

During the first half of 2025, the Group's liquidity and funding profile was higher than the regulatory and internal risk limits.

As at 30 June 2025, the Group was adequate in terms of both Operating Liquidity, with an LCR equal to 168.7%, and Structural Liquidity, with an NSFR equal to 131.6%. It should also be noted that the one-month net liquidity position relative to the Group's consolidated assets is 24.3%.

Management of interest rate risk of the banking book

The interest rate risk relating to the banking book derives mainly from the core activities carried out as an intermediary engaged in the process of transforming maturities. In particular, the issue of fixed-rate bonds, the disbursement of mortgages and commercial loans at a fixed rate and the funding through demand current accounts constitute a source of fair value interest rate risk, while floating-rate financial assets/liabilities constitute a source of cash flow interest rate risk.

The Group adopts an interest rate risk governance and management system known as the IRRBB Framework which avails itself of:

- a quantitative model, which provides the basis for monthly calculation of the exposure of the Group and the individual companies to interest rate risk in terms of risk indicators;
- risk monitoring processes, aimed at periodically verifying compliance with the operational limits (risk limits and risk tolerance) assigned to the Group overall and to the individual legal entities within the Risk Appetite Statement;
- risk control and management processes, geared toward carrying out adequate initiatives for optimising the risk profile and activating any necessary corrective actions in the case of exceptions from and/or misalignments with the IRRBB Strategy.

Within the defined model, the Finance, Treasury and Capital Management unit (FTCM) of the Parent Company has centralised responsibility for the operational management of the Group's overall interest rate and liquidity risks.

With reference to the monitoring of interest rate risk, as of the reporting date, the internal risk measures used are specifically the change in the expected interest margin over one year and the change in the economic value of equity.

The sensitivity of the economic value of Gruppo Italia in the first half of 2025 indicates a risk exposure profile due to a rise in interest rates. The negative sensitivity of the economic value at risk to a parallel shift of +100 bps in the yield curves recorded an average value of EUR -390.0 mln in Q2 2025, with a minimum of EUR -349.8 mln and a maximum of EUR -471.0 mln, which coincided with the level at the end of Q1 2025. The reduction in *negative sensitivity* between the figure at the end of Q2 2025 and that at the end of 2024, amounting to EUR 7.2 mln, is attributable to new *hedge accounting* activity that mitigates the effects of changes in the commercial portfolio.

The one-year interest margin sensitivity of Gruppo Italia during the first half of 2025 shows exposure to risk in the event of a downward shift in the interest rate curve. The negative sensitivity of the interest margin, in the case of a parallel shift in the interest rate curves of -100 basis points, recorded an average value of EUR -140.9 mln in Q2 2025, with a maximum of EUR -157.5 mln and a minimum of EUR -120.9 mln. The increase in negative sensitivity between the figure at the end of Q2 2025 and that at the end of 2024, amounting to EUR -43.3 mln, is mainly linked to the effect of new hedge accounting positions on fixed-rate assets.

IRRBB Sensitivity (EUR/mln)						
Metrics	Shock Scenario	30 06 2025	31 12 2024	Min.	[Jan-25; Jun-25]	
					Max.	Average
EVE	+ 100 bps	(381)	(388)	(350)	(471)	(390)
EVE	- 100 bps	275	294	237	373	280
NII	+ 25 bps	33	28	31	38	33
NII	- 25 bps	(39)	(28)	(29)	(39)	(35)
NII	+ 100 bps	133	104	106	137	121
NII	- 100 bps	(158)	(114)	(121)	(158)	(141)

Note: Min and Max always refer to the absolute value

As at 30 June 2025, the regulatory limits in terms of Supervisory Outlier Test for EVE and NII were met. Note that the risk measures in question do not consider the contribution of the subsidiary Monte Paschi Banque S.A., which is classified as discontinued operations under IFRS 5.

The internal measurement system is independently developed by the Risk Management function of the Parent Company, which periodically reports on the extent of portfolio risks and their changes over time. The results are regularly brought to the attention of the Parent Company's Risk Management Committee and governing bodies.

Operational risks

Risk assessment model

The Group, authorised to use the AMA internal model to determine the related capital requirement, from 1 January 2025 determines the Supervisory Capital Requirement for Operational Risk according to the new standard model that came into force with the modification of the Basel framework and more specifically with the publication of Regulation (EU) 2024/1623 in the Official Journal of the European Union in June 2024. The new rules modify the calculation methods, as well as the criteria for representing the main aggregates of the sector.

The MPS Group maintains the operational risk management system already in place, consisting of a set of regulations and procedures for the identification, assessment and measurement, management and mitigation, monitoring and reporting of operational risks in the Group and its subsidiaries. Furthermore, it regularly carries out stress analyses for operational risks, including the stress test exercise for the entire Group, aimed at verifying, through the use of a statistical-econometric model, the impact in terms of operational losses, as well as the consequent repercussions on capital at risk, of changes in the underlying macroeconomic factors, or changes in the idiosyncratic components of operational risk.

Risk exposure

As at 30 June 2025, operating losses recognised in the first half of the year showed a reduction compared to the same period in 2024. The Regulatory Requirement, on the other hand, decreased compared to December 2024 (-29%) following the introduction of the new standardised calculation methodology, which came into force on 1 January 2025. This methodology determines the regulatory requirement based on financial statement data for the last three years (2022–2024).

Main types of legal, employment and tax risks

The following were pending as at 30 June 2025:

- legal proceedings with a *total amount claimed*, where quantified, totalling EUR 3,081.9 mln
- out-of-court claims with a *total amount claimed*, where quantified, totalling EUR 58.6 mln.
- risks associated with contractual guarantees with a *total amount claimed*, where quantified, of EUR 269.4 mln.

These amounts, in accordance with IAS 37, include all disputes, out-of-court claims and contractual risks for which the risk of disbursement of economic resources deriving from potential loss has been assessed as likely or possible and, therefore, does not include disputes for which the risk has been assessed as remote. The aforementioned risks were specifically and carefully analysed by the Group, particularly in the presence of a likely risk gradient and if a reliable estimate of the relative amount could be made, specific and appropriate provisions were allocated to the Provision for Risks and Charges. Without prejudice to the risk of uncertainty that characterises every dispute, the estimate of the obligations that could emerge from the disputes - and therefore the amount of any provisions made - derives from the forecast assessments regarding the outcome of the proceedings. These forward-looking assessments are in any case carried out on the basis of the information available at the time of the estimate and updated during the course of the proceedings. The complexity of the situations and corporate transactions forming the basis of the disputes imply significant judgmental elements that could affect the if, how much and related materialisation timing of the liability. In this regard, therefore, although the Group's estimates are considered robust, reliable and compliant with the dictates of reference accounting standards, it cannot be excluded that charges arising on final settlement of the disputes may prove different, even significantly, from those allocated.

The above aggregate includes:

1. Legal disputes and out-of-court claims

The following were pending as at 30 June 2025:

- legal disputes with a total amount claimed, where quantified, of EUR 3,014.2 mln, of which approximately EUR 1,494.1 mln as a total amount claimed relating to disputes classified as a "likely" risk of losing the case, for which provisions for EUR 445.8 mln are recognised and approximately EUR 1,520.1 mln as a total amount claimed attributed to disputes classified as having "possible" risk of losing the case;
- out-of-court claims for a total amount claimed, where quantified, of approximately EUR 58.6 mln, of which approximately EUR 45.1 mln classified with a "likely" risk of losing the case and approximately EUR 13.5 mln with a "possible" risk of losing the case.

The main information of the most significant cases, by macro-category or individually, is provided below.

Disputes regarding compound interest, interest rates and conditions

The total amount claimed in these disputes as at 30 June 2025 was EUR 164.2 mln (EUR 209.0 mln as at 31 December 2024), while the provisions set aside amounted to EUR 71.7 mln (down from the provision of EUR 79.7 mln in place as at 31 December 2024).

Dispute regarding claw-back actions in insolvency proceedings

The total amount claimed in these disputes as at 30 June 2025 was EUR 23.2 mln (EUR 64.9 mln as at 31 December 2024), while allocated provisions totalled EUR 11.1 mln (a decrease of EUR 13.9 mln compared to 31 December 2024).

Dispute with purchasers of subordinated bonds issued by Group companies

The total amount claimed in these disputes as at 30 June 2025 was EUR 30.9 mln (EUR 32.4 mln as at 31 December 2024), while allocated provisions amounted to EUR 15.7 mln (a decrease of EUR 0.3 mln compared to 31 December 2024).

Derivatives litigation

The *total amount claimed* in these disputes as at 30 June 2025 amounts to EUR 60.1 mln (EUR 134.7 mln as at 31 December 2024), while the provisions set aside totalled EUR 35.2 mln (down from the provision of EUR 40.8 mln in place as at 31 December 2024).

Disputes and out-of-court claims related to financial information

As at 30 June 2025, the Parent Company was exposed to civil litigation and to the effects of judgments arising from the criminal proceedings described below, relating to financial disclosures made in previous years. The total amount claimed at the same date for this type of dispute was equal to approx. EUR 1,157 mln, broken down as follows (data in EUR mln):

Type	30/06/25	31/03/25	31/12/24
Civil dispute	674	674	674
Filed civil claim cp 955/16	-	-	160
Filed civil claim cp 33714/16 and cp 29877/22	483	509	509
Total legal proceedings	1,157	1,183	1,343

With reference to criminal proceedings, it is noted:

- the definition in cp 955/16. Specifically, the total amount claimed for EUR 160 mln referred to therein was extinguished following the ruling of the Fifth Chamber of the Court of Cassation on 20 February 2025, which rejected the appeals of the Attorney General and the civil party Bluebell Capital Partners, confirming the ruling of the Milan Court of Appeal of 11 December 2023 acquitting the defendants and the Parent Company;
- in case cp 29877/22, the Preliminary Hearing Judge, by judgment dated 6 June 2025, issued a ruling of no case to answer with respect to the defendants subject to mandatory prosecution. As a result, this decision prevents the civil parties from bringing compensation claims against the Bank as civilly liable party, leading to the elimination of the amount claimed.

Below are the main updates concerning disputes pending as at 30 June 2025.

Banca Monte dei Paschi di Siena S.p.A. vs. Alken Fund Sicav and Alken Luxembourg S.A. (now VIRMONT SA)

On 22 November 2017, the opposing parties (the “Funds”) served a complaint on the Parent Company, as well as Nomura International (“Nomura”), Giuseppe Mussari, Antonio Vigni, Alessandro Profumo, Fabrizio Viola and Paolo Salvadori, before the Court of Milan, requesting that the court confirm and declare: (i) an alleged liability of the Parent Company under Article 94 of the TUF and Article 2935 of the Italian Civil Code for the torts committed against the Claimants; (ii) alleged liability of the defendants Mussari and Vigni in relation to the investments made by the Funds in 2012 on the basis of the untrue information; (iii) an alleged liability of the defendants Viola, Profumo and Salvadori in relation to the investments made by the Funds after 2012 and finally (iv) an alleged liability of Nomura pursuant to Article 2043 of the Italian Civil Code.

On these grounds, the Funds sought an order that the defendants be jointly and severally ordered to pay compensation for pecuniary loss in the amount of EUR 423.9 mln for Alken Funds Sicav and EUR 10 mln for lower management fees and reputational damage for the management company Alken Luxembourg SA, as well as an order that the defendants pay compensation for non-pecuniary loss, subject to a finding of the crime of false corporate communications. The Parent Company duly appeared and set out its defence; four individuals also intervened in the case, claiming damages totalling approximately EUR 0.7 mln. In a ruling dated 7 July 2021, the Court of Milan rejected all the claims of the Funds, which were ordered to pay the Bank’s legal fees. The request of an intervener was only partially accepted, in relation to which the Parent Company was ordered to pay the sum of approximately EUR 52 thousand (for principal and interest) jointly with Nomura and in part with Messrs. Antonio Vigni and Giuseppe Mussari. Both the Parent Company and Nomura and the Funds appealed (the latter for a total amount claimed of approximately EUR 454 mln) against the ruling before

the Court of Appeal of Milan. The three proceedings were joined and finally the Court of Appeal of Milan, with a ruling published on 9 November 2023, rejected the Funds' claims in their entirety, while upholding the appeals of Banca MPS, Nomura, Mussari and Vigni. On 9 January 2024, the Funds filed an appeal with the Court of Cassation, where the Parent Company duly appeared, requesting the rejection of the opposing appeal and an order that the Funds pay the costs.

York and York Luxembourg Funds vs. Banca Monte dei Paschi di Siena S.p.A.

On 11 March 2019, York and York Luxembourg Funds served a writ of summons, bringing an action before the Court of Milan (Section specialised in corporate matters) against the parent Company, Messrs. Alessandro Profumo, Fabrizio Viola, and Paolo Salvadori as well as Nomura International PLC, ordering the defendants, jointly and severally, to pay damages for pecuniary damages quantified in a total of EUR 186.7 mln and non-pecuniary damages to be settled on an equitable basis pursuant to Article 1226 of the Italian Civil Code, plus interest and revaluation.

The plaintiffs' claim relates to losses incurred as part of their investment transactions in Banca MPS totalling EUR 520.3 mln, carried out through the purchase of shares (investment of EUR 41.4 mln by the York Luxembourg Fund) and through synthetic purchases of equity swap contracts whose value was linked to the performance of the MPS share at a 1:1 ratio (investment of EUR 478.9 mln by the York Funds). The counterparties claimed that they had disposed of the two investments described above with losses of approximately EUR 5.5 mln in the first investment and EUR 181.2 mln in the second, losses that, according to the counterparties, were caused by unlawful conduct of the Bank's top management that distorted the financial representation in the financial statements, significantly altering the assumptions underlying the valuation of the financial instruments issued by the Parent Company.

The Parent Company duly appeared before the court.

In its judgment of 16 May 2024, the Court of Milan dismissed all the claims of the Funds, which were condemned to pay legal costs amounting to EUR 240 thousand in addition to the payment of the sum of EUR 120 thousand pursuant to Article 96 of the Italian Code of Civil Procedure in favour of each defendant.

On 17 June 2024, the Funds appealed against this judgment; the Parent Company duly entered an appearance in view of the first hearing set for 22 January 2025. At the said hearing, having acknowledged the death of Mr. Salvadori, the proceedings were declared suspended. By application served on 28 February 2025, the Funds resumed the proceedings. At the first hearing on 25 June 2025, the Judge admitted the documentary evidence requested by the claimants and by the defendant Bank concerning certain rulings issued in criminal proceedings related to non-performing loans. The Funds then reiterated their evidentiary requests, already set out in the case documents, on which the Judge reserved judgment.

Banca Monte dei Paschi di Siena S.p.A. / Civil action and third-party action of the Parent Company as civilly liable party

Criminal proceedings no. 33714/16

In relation to criminal proceedings no. 33714/16 pending before the Milan Public Prosecutor's Office, the Parent Company was originally implicated as party bearing administrative liability pursuant to Italian Legislative Decree no. 231/2001 in connection with an allegation of false corporate communications (pursuant to art. 2622 of the Italian Civil Code) relating to the 2012, 2013, 2014 Financial Statements and the 2015 half-yearly report due to the alleged overstatement of so-called non-performing loans.

On 4 May 2018, the Bank's position was dismissed by the Public Prosecutor's Office due to the groundlessness of the crime (a measure also confirmed by the General Prosecutor's Office on 15 March 2019).

On 25 July 2019, the GIP [Preliminary Investigations Judge] of the Court of Milan, while acknowledging the dismissal of the proceedings against the Parent Company, as the liable entity pursuant to Italian Legislative Decree No. 231/2001 ordered the continuation of the investigations of the defendant natural persons (i.e. chairman of the Board of Directors, Managing Director/CEO and pro-tempore Chairman of the Board of Statutory Auditors) which initially continued in the form of the evidence gathering procedure during which two experts were appointed by the GIP who, on 30 April 2021, filed their report.

Subsequently, in the context of further investigations, the Public Prosecutor ordered two new technical consultations which, although noting some alleged accounting errors, reached significantly different conclusions from those of the expert report ordered ex officio by the GIP in the context of the evidence gathering procedure.

On 16 September 2022, a notice was received concerning the conclusion of preliminary investigations pursuant to art. 415-bis of the Italian Code of Criminal Procedure against three former members of the Bank (two Chairmen of the Board of Directors and one Chief Executive Officer) and a former Executive manager (responsible for the preparation of

corporate accounting documents). Despite the previous dismissal, the Bank also received the same notice as party bearing administrative liability pursuant to Italian Legislative Decree 231/01.

On 14 December 2022, a request for committal for trial was issued against the above-mentioned representatives and the former Executive manager; On 12 December 2022, the Bank's position as administratively liable pursuant to the Compliance Model under law 231 was instead dismissed.

The natural persons are charged with the offences of false corporate communications (pursuant to art. 2622 of the Italian Civil Code) and market manipulation (pursuant to art. 185 of the Consolidated Law on Finance) with reference to the 2013-2014-2015 Financial Statements and the 2015-2016 half-yearly reports, as well as of false information (pursuant to art. 173-bis of the Consolidated Law on Finance) in relation to the 2014-2015 prospectuses.

At the preliminary hearing, civil parties with a combined total of more than 5,000 names appeared. Most of the aforementioned civil parties requested the summoning of Banca Monte di Paschi di Siena as civilly liable and at the hearing of 10 November 2023, the Bank duly appeared.

At the hearing of 22 April 2024, the Judge for the Preliminary Hearing read the order concerning the issues on civil action, ordering the exclusion mainly for formal defects of almost 300 civil parties with a total amount claimed, where quantified, of approximately EUR 12 mln.

At the hearing of 20 June 2024, the Preliminary Hearing Judge, assigned to the matter of compulsory indictments relating to Criminal Proceedings no. 29877/2022 (see below), issued an order expressing opinion in favour of merging the two proceedings, deeming the legal prerequisites to be met. These proceedings were, accordingly, merged at the hearing of 20 January 2025. At the hearing, the Preliminary Hearing Judge ordered a supplement to investigations with regard to alleged fraud against the State with reference to the precautionary recapitalisation transaction. The investigation is still ongoing.

At the following hearing of 28 February 2025, the Public Prosecutor requested that a "ruling not to proceed" be issued for all the natural persons in relation to the charges in both criminal proceedings 33714/16 and in the joined criminal proceedings 29877/22, with the exception of the charge relating to false corporate communications, with reference to the financial statements relating to the financial year 2015 and to the half-yearly financial report as at 30 June 2016, for which the Public Prosecutor requested the indictment of the former Chairman of the Board of Directors, of the former Chief Executive Officer and of the former Financial Reporting Officer.

Following the final preliminary hearing held on 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer: i) in relation to five individuals, one current employee, one former employee, and three former officers of the Bank, who were subject to mandatory prosecution under criminal proceedings No. 29877/2022 RGNR (concerning alleged false corporate communications and market manipulation in connection with the nine-month report and the 2016 financial statements, as well as the half-year report and the 2017 financial statements), due to the inability to formulate a reasonable prospect of conviction; ii) in relation to two former officers of the Bank and one former executive, for the offence of false corporate communications alleged in criminal proceedings No. 33714/2016 RGNR, limited to the 2014 financial statements, due to the statute of limitations having expired.

Conversely, the Preliminary Hearing Judge ordered the indictment of three former officers of the Bank and one former executive in respect of all remaining charges brought in criminal proceedings No. 33714/2016 RGNR, specifically for the offences of false corporate communications in relation to the 2015 half-year report and annual financial statements, as well as the 2016 half-year report; false prospectus, in relation to the prospectuses dated 6 June 2014 and 22 May 2015; market manipulation, in connection with the press releases approving the 2013, 2014, and 2015 financial statements, the 2015 and 2016 half-year reports, and the prospectuses dated 6 June 2014 and 22 May 2015.

At the hearing of 18 July 2025, the Preliminary Hearing Judge ordered the compilation of the trial dossier, including, in addition to the documents required by law, the expert report obtained during the preliminary evidentiary phase.

The first trial hearing has been scheduled for 16 October 2025 before the Milan Panel Court.

Criminal Proceedings no. 29877/2022, Court of Milan

On 28 May 2024, a number of employees, former employees and former representatives of the Parent Company received an order pursuant to Articles 409 and 410 of the Italian Code of Criminal Procedure concerning "non-performing loans", regarding the alleged failure to recognise prior losses. This de facto order extends the period covered by criminal proceedings 33174/2016 on the same matter, regarding financial statements from 31 December 2013 to 30 June 2016, also to the financial statements as at 31 December 2016 and 31 December 2017. This order commands public prosecutors to proceed with compulsory indictment of five natural persons. With the request for committal for trial, the

public prosecutors simultaneously filed an application to merge this case into the main proceedings (see above, case ref. cp. 33714/2016).

At the preliminary hearings, held on 23 July 2024 and 23 September 2024, approximately 2,080 civil parties appeared, of which approximately 1,900 had already appeared in cp 33714/2016, with a simultaneous request to summon the Parent Company and Consob as civilly liable.

At the hearing on 28 November 2024, the Parent Company appeared as civilly liable party, and at the subsequent hearing on 19 December 2024, the Judge issued the order ordering: (i) the exclusion of Consob as civilly liable party, (ii) the exclusion of 20 civil parties for formal defects.

At the hearing held on 20 January 2025, the Preliminary Hearing Judge ordered the joinder of the two proceedings (see above, cp 33714/2016).

Following the final hearing on 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer with respect to the employees, former employees, and former officers of the Parent Company who were subject to mandatory prosecution, due to the inability to formulate a reasonable prospect of conviction.

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Banca Monte dei Paschi di Siena S.p.A. vs. Fresh 2008 bondholders

Certain holders of FRESH 2008 Bonds maturing in 2099, by document served on 15 November 2017, sued the Parent Company, Mitsubishi UFJ Investors Services & Banking Luxembourg SA (which replaced the issuing Bank of New York Mellon Luxembourg), the English company JP Morgan Securities PLC and the American company JP Morgan Chase Bank N.A. (which entered into a swap agreement with the issuer of the bond) before the Court of Luxembourg in order to: (i) establish the inapplicability of the Burden Sharing Decree to the holders of the FRESH 2008 Securities and, consequently, to hold that the said bonds cannot be forcibly converted into shares, (ii) assert the validity and effectiveness of the said bonds in accordance with the terms and conditions of their issue as governed by Luxembourg law, and, finally, (iii) assert that the Parent Company is not entitled, in the absence of the conversion of the FRESH 2008 Securities, to obtain from JP Morgan the payment of EUR 49.9 mln to the detriment of the holders of the FRESH 2008 Securities. The Court of Luxembourg, by order of 11 January 2022, rejected the Parent Company's requests for a stay of the proceedings until the international courts have ruled on the preliminary objections raised by the Parent Company. Instead, it upheld the plea of lack of jurisdiction of the court in relation to the claim concerning the usufruct contract entered into by the Parent Company with JP Morgan Securities PLC and JP Morgan Chase in the context of the 2008 share capital increase transaction. In relation to the aforementioned usufruct contract, the Luxembourg court reserved its decision pending the decision of the Italian court. On the contrary, it declared its jurisdiction in relation to the swap contract entered into by the Parent Company with the same counterparties in the context of the 2008 capital increase transaction. The Luxembourg Court, at the hearing on 4 April 2025 of the appeal brought by the holders of the Fresh Securities and the Parent Company, suspended its decision, requesting the parties involved to further elaborate on their claims by the end of the current year.

It is noted that, following the start of the proceedings in question by the holders of the FRESH 2008 Securities, the Parent Company, on 19 April 2018, brought a legal action before the Court of Milan against JP Morgan Securities Ltd JP Morgan Chase Bank N.A. London Branch, as well as the representative of the FRESH 2008 securities holders and Mitsubishi Investors Services & Banking Luxembourg S.A. to ascertain that the Italian Judge is the only one with jurisdiction and competence to decide about the usufruct contract and the company swap agreement signed by the Parent Company with the first two defendants in the context of the operation of the share capital increase in 2008. Consequently, the Bank asked:

- to ascertain, pursuant to Article 22, paragraph 4 of Decree 237 of 23 December 2016, the ineffectiveness of the usufruct contract and the company swap agreement that provide for payment obligations in favour of JP Morgan Securities PLC and JP Morgan Chase Bank NA;
- to ascertain the ineffectiveness and/or termination and/or discharge of the usufruct contract or, in the alternative;
- to ascertain the termination of the usufruct contract due to the capital deficiency event of 30 June 2017.

The first hearing was held on 18 December 2018 and the Investigating Judge, considering the prejudicial nature of the issue of jurisdiction raised by the defendants, in view of the fact that a dispute is pending before the Luxembourg Court involving the same a total amount claimed and the same cause, had granted the parties terms to reply only to the procedural objections and adjourned the hearing to 16 April 2019 for assessment of the disputed issue. At the subsequent hearing on 2 July 2019, the case was held over for decision and by order of 2 December 2019, the Court of Milan ordered the proceedings to be suspended pending the decision of the aforementioned Luxembourg Court. Against this order, the Parent Company had filed a petition with the Court of Cassation for the referral to a different competent court. The court has rejected the petition of the Parent Company with ruling dated 31 March 2021.

In the meantime, the holders of the Fresh securities challenged the first instance ruling issued by the Luxembourg Court in November 2022, against which the Bank in turn filed a cross-appeal.

At the same time, the Parent Company – based on the ruling issued by the Court of Luxembourg – filed an appeal with the Court of Milan for the resumption of proceedings initiated there in 2018, but the Court of Milan, with an order of 11 January 2024, declared this inadmissible, pointing out that suspension of the Italian proceedings had been ordered at the time (02.12.2019) until the final decision of the Luxembourg Court. That decision, however, which had as previously mentioned been the subject of both the main appeal and the cross-appeal, did not become final, and consequently the conditions that at the time had prompted the Italian court to keep proceedings suspended still applied.

In the event of a favourable outcome of the dispute, the FRESH 2008 securities will be cancelled and the Parent Company will also collect the amount of EUR 49.9 mln, recognising a corresponding income.

In the event of an unfavourable outcome of the dispute, the principle of burden sharing cannot be applied and therefore the bond-holders will retain the right to receive the coupon (equal to Euribor 3M+425 bps on a notional amount of EUR 1 bn) provided that the Parent Company generates distributable profits and pays dividends.

Any unfavourable outcome of the dispute will only produce effects starting with the decision to distribute dividends in May 2024 on 2023 profit. Note that, as at the date of these Half-Yearly Financial Statements, no further claims of any kind have been brought over and above the disputes described herein. In any case, at the current stage of the dispute, the Parent Company considers all rights of the 2008 FRESH bond-holders null and void pursuant to the application of art. 22, paragraph 4 of Italian Legislative Decree 237/2016 and of the capital deficiency event recorded as at 30 June 2017. It therefore determined the equity ratios and earnings per share as at 30 June 2025 (in continuity with 31 December 2024) without taking into account the 2008 FRESH coupon.

Other proceedings

Banca Monte dei Paschi di Siena S.p.A. vs. Fatrotek

This case, where the Parent Company was sued together with other credit institutions and companies with the summons of 27 June 2007, seeks the assessment of alleged monetary and non-monetary damage suffered by the plaintiff, as a result of an alleged unlawful report filed with the Italian Central Credit Register. The related a total amount claimed amounts to EUR 157 mln. The plaintiff also asks that the defendant banks be found jointly liable, each proportionately to the seriousness of its behaviour. The Parent Company's defence was based on the fact that the company's extremely severe financial situation fully justified the Parent Company's initiatives.

On 5 June 2018, the bankruptcy of the company was declared, which prompted the receivership to take up the case again. At the end of the preliminary investigation, during which an expert was court-appointed, the case was withheld for decision on 6 October 2022. Subsequently, on 11 November 2022, the Court of Salerno ascertained and settled only the non-pecuniary damage, amounting to EUR 20,000 for each bank (thus totalling EUR 100,000), plus interest and costs of litigation. The disbursement attributable to the Bank is approximately EUR 34 thousand. The case concerning the appeal lodged by the Receivership was held on 11 July 2024, for the acquisition of the official technical report carried out as part of the first instance proceedings. At present, the trial has been postponed to the hearing on 25 September 2025 for closing arguments; the Court deferred to the decision-making phase any assessment regarding renewed court appointment of an expert requested by the counterparty.

Banca Monte dei Paschi di Siena S.p.A. vs. Renova Red S.p.A.

On 9 September 2024, Renova Red brought the Parent Company before the Court of Siena to ascertain the defendant's failure to comply with the framework agreement on the ecobonus, stipulated in September 2021 between Banca MPS and the plaintiff for a total nominal value of approximately EUR 76 mln.

The counterparty argument is that the Parent Company arranged the purchase of only a minimal part of the receivables envisaged in the aforementioned framework agreement, then unjustifiably refusing to purchase subsequent receivables from November 2021. This would have forced Renova Red to find other brokers on the market to complete subsequent factoring only six months later with considerable damages in terms of financial and non-financial losses, estimated by the plaintiff as approximately EUR 32 mln.

Following the initial appearance of the parties on 29 April 2025, the Judge, having lifted the reservation, rejected the evidentiary motions filed by the Parent Company and admitted a court-appointed expert opinion, adjourning the case to the hearing of 2 October 2025 for the assignment of the expert mandate.

The Bank filed an application for amendment and revocation of the aforementioned evidentiary order, which was subsequently rejected by the presiding Judge by order dated 23 May 2025.

Banca Monte dei Paschi di Siena S.p.A. vs. Riscossione Sicilia S.p.A. (now ADER - Revenue Agency - Collections)

Dispute brought by Riscossione Sicilia

By writ of summons served on 15 July 2016 Riscossione Sicilia S.p.A. (today the ADER, Italian Revenue Agency - Collections, which took over all legal relations of Riscossione Sicilia from 1 October 2021, pursuant to art. 76 of Italian Law Decree no. 73/2021 converted with Italian Law no. 106/2021) had summoned the Parent Company before the Court of Palermo, asking for it to be ordered to pay the total sum of EUR 106.8 mln.

By judgment No. 2350/22, filed on 30 May 2022, the Palermo Court, substantially in line with the conclusions of the court-appointed expert, rejected the claims brought by Riscossione Sicilia and, upholding the counterclaim filed by the Bank, ordered the former to pay the Bank approximately EUR 2.9 mln, plus statutory interest and legal costs.

This judgment was appealed on 27 December 2022 by summons before the Court of Appeal of Palermo. The Bank made an entry of appearance with a petition filed on 13 April 2023, lodging a cross-appeal. The case is currently adjourned for closing arguments until 7 November 2025.

Legal action brought by the Finance Department of the Sicily Regional Government ("the Department")

On 17 July 2018, the Finance Department of the Sicily Regional Government served an injunction order upon the Parent Company pursuant to art. 2, Italian Royal Decree no. 639/1910 and for repayment of a total of around EUR 68.6 mln pursuant to art. 823, paragraph 2 of the Italian Civil Code. After integration of the cross-examination of Riscossione Sicilia S.p.A., by ruling no. 3649/2021, published on 4 October 2021 and notified on 5 October 2021, the Court of Palermo rejected the Parent Company's objection to the aforementioned order with simultaneous sentencing of the Parent Company to pay legal costs. The Parent Company lodged an appeal against this decision before the Palermo Court of Appeal. With an order filed on 11 February 2022, the Court of Appeal ordered the integration of the cross-examination against the Revenue Collection Agency (ADER), as successor of Riscossione Sicilia S.p.A., setting the collegial hearing for the new appearance on 1 July 2022; Currently, the case has been adjourned to the hearing of 18 December 2025 for closing arguments.

Actions brought by Banca Monte dei Paschi di Siena S.p.A.

In the additional and separate administration proceedings (case ref. 2201/2018) brought by the Parent Company before the Regional Administrative Court of Sicily to obtain a declaration of invalidity and cancellation of the injunction order pursuant to art. 2, Italian Royal Decree no. 639/1910, by ruling no. 3043 of 17 November 2023 the Court accepted the Parent Company's appeal, cancelling the challenged order limited to the alternative claim of the Sicily Regional Government, deeming that the Regional Government could not object to any action for protection of possession pursuant to art. 823, paragraph 2, of the Italian Civil Code, since it constitutes a right of claim rather than a right in rem, and ordered the costs to be offset between the parties. The judgment was not appealed and has become final.

Following service upon the Parent Company on 21 September 2022 of the tax demand stating the amount claimed by the Department pursuant to ruling no. 3649/2021, by writ of summons of 21 November 2022, the Parent Company filed claims before the Court of Siena (case ref. 2737/2022) against ADER and the Department in other proceedings opposing enforcement of the tax demand as an executive order pursuant to art. 615 of the Code of Civil Procedure, also for the purpose of suspending enforceability. These proceedings ended with a ruling on 13 December 2023, which rejected the Parent Company's opposition and ordered it to pay the costs of EUR 91.6 thousand; By summons of 21 June 2024, said ruling was appealed before the Court of Appeal of Florence, which adjourned the case for decision to the hearing of 20 January 2026.

The other actions undertaken by the Parent Company to respond to the credit claim of the Regional Government referred to in ruling no. 3649/2021 – specifically, the application before the Court of Auditors brought on 21 November 2022 pursuant to art. 172 paragraph 1.d) of the Code of Accounting Justice to declare null and void the actions carried out for recovery of the amounts as well as the petition of 16 November 2022 pursuant to Law 228/2012 to obtain suspension of the collection of the amount indicated in the tax demand – were unsuccessful and therefore, on 27 January 2023, in strict compliance with the tax demand, which in the itemised credit items of the tax authority interest at the legal rate was contemplated, the payment of a total EUR 74 mln was arranged as full repayment of the amount demanded by the Sicily Regional Government.

Lastly, the steps necessary to recover the afore-mentioned credit of about EUR 68.6 mln from ADER, to which the Parent Company is entitled, as the sole successor of Riscossione Sicilia S.p.A., are underway.

Banca Monte dei Paschi di Siena S.p.A. vs. Nuova Idea

With a writ of summons served on 21 December 2021, Nuova Idea S.r.l. summoned the Parent Company before the Court of Caltanissetta in order to have it declare that it was obliged to compensate all the damages, financial and non-financial, suffered by the company as a consequence of the protest of a bill of around EUR 3,000 domiciled at the Caltanissetta branch, which according to the plaintiff's prospect would have been raised due to the Parent Company's exclusive acts and negligence.

The plaintiff argues that the illegitimate protest constituted the only causation of a chain of events described in the writ of summons which resulted in the sharp reduction of its equity investment in a Temporary Grouping of Companies (RTI) that had been awarded a service contract with ASL Napoli 1 Centro, consequently requesting, principally, that the Bank was ordered to pay in its favour the amount of EUR 57.3 mln by way of loss of earnings as well as an amount of EUR 2.8 mln by way of loss of profit, and thus a total of EUR 60.1 mln, in addition to compensation for damage to the corporate image and commercial reputation to be paid on an equitable basis.

With ruling No. 26 of the Court of Caltanissetta, published on 8 January 2025, the first instance of the case was finalised with the Bank being ordered to pay EUR 2.8 mln as compensation for the damage suffered by Nuova Idea S.r.l., with full compensation for legal costs. The Court held that there was a causal link between the non-payment of the bill by Banca MPS and the marginalisation of the company in the public tender obtained in RTI. On 17 February 2025, the Bank filed an appeal against judgment No. 26/2025 issued by the Caltanissetta Court, simultaneously submitting an application for the suspension of its enforceability and execution pursuant to Articles 283 and 351 of the Italian Code of Civil Procedure. By order issued on 22 May 2025, the Caltanissetta Court of Appeal granted the precautionary request, ordering the suspension of the enforceability of the appealed judgment.

The first hearing on the merits of the second-instance proceedings has been scheduled for 17 September 2025.

Banca Monte dei Paschi di Siena S.p.A. vs. Italtrading

In February 2020, the Italtrading receiver sued the former subsidiary MPS Leasing & Factoring, as civilly liable for the damage pursuant to art. 2049 of the Italian Civil Code caused through a former employee, consisting of the irregular recognition in the financial statements of lower payables to the banking system and at the same time of lower receivables from subsidiaries and some customers. This is in violation of the provisions of art. 2423 of the Italian Civil Code, resulting in a concealment of the loss of share capital and, therefore, an aggravation of the insolvency. The claim for damages was quantified at EUR 132.8 mln.

During the lawsuit, in which the former subsidiary appeared before the court, following the conclusions of the insolvency proceedings, the claim was reduced to EUR 63 mln with the request for a provisional payment of EUR 6 mln.

By ruling of 19 May 2023, the Court of Milan acquitted the former employee of the charges against him, with consequent release effect for Banca MPS, which had taken over by virtue of incorporation from MPS L&F. Appeal proceedings are pending before the Court of Appeal of Milan, filed last October by the Italtrading receiver. The first appeal hearing was held on 4 July 2024. The Public Prosecutor deferred the case to the Court, given the exclusively civil nature of the matter.

The Court adjourned the case to the hearing of 3 November 2025.

Dispute Banca Monte dei Paschi di Siena S.p.A. vs. Società Italiana per Condotte D'Acqua S.P.A. under extraordinary administration

By means of a writ of summons served on the Bank on 23 December 2022, Società Italiana per Condotte D'Acqua S.p.A. under extraordinary administrative proceedings brought an action for damages against the credit institutions in conjunction with the factoring companies (32 counterparties), the independent auditors, the members of the Managing Board and of the Supervisory Board of the company in bonis, for having contributed - through the use and granting of credit - to the commission of acts of misadministration that caused (or contributed to causing) serious damage to the company and to the entire creditors' class. The damage is quantified:

- jointly and severally among all defendants in the amount of EUR 389.3 mln;
- alternatively EUR 322.0 mln (increase in insolvency liabilities);
- or alternatively in the amount of EUR 39.5 mln with reference to individual transactions (referring to associates).

At the hearing of 22 April 2024, a number of parties filed action against third parties; in authorising these claims against third-parties, the Judge adjourned the first appearance hearing to February and, then again, to 1 July 2025 for the same issues, pending proof that the amended summons had been served on Banco Do Brasil S.A..

At that hearing, the Judge ordered a further adjournment to 18 November 2025 for the same procedural steps as at the first hearing, pending proof of service of the writ on Banco Do Brasil S.A.

In the meantime, the proceedings were declared extinguished with respect to the parties that had reached settlement agreements with Condotte (including the audit firm) and to the defendants who were not served with the writ of reinstatement. At present, it is not possible to estimate the effects of this partial settlement on the remaining debt position of the other co-obligors, as such effects depend on any determination of the respective share of liability among the parties involved.

Banca Monte dei Paschi di Siena S.p.A. vs. Privilege Yard S.p.A. in Fall - Appeal

By ruling no. 14832/2022 of 4 October 2022, the Court of Rome ascertained the liability of various credit institutions, including the former subsidiary MPS Capital Services S.p.A. (now merged into the Parent Company), defendants jointly and severally for complicity pursuant to art. 2055 of the Italian Civil Code in the misadministration by the directors of Privilege Yard S.p.A. pursuant to art. 2393 of the Italian Civil Code and consequently ordered them to pay as compensation for the damage caused to the assets of Privilege Yard S.p.A. an amount, quantifiable by way of application of the net equity criterion, equal to EUR 57.1 mln, in addition to legal costs and expenses.

In agreement with the other banks, which were originally part of the pool, the decision was to proceed with the spontaneous payment, although subject to repetition at the outcome of the appeal, by paying in the agreed amount of one fifth, for each bank, of the sentenced amount plus costs, fees and expenses.

All banks, including the former subsidiary, appealed independently. The first appearance hearing held in February 2024 was postponed for closing arguments to November 2025.

On 15 April 2025, a proposal for a bankruptcy agreement with an underwriter was presented, under analysis by the lawyers assisting the banks of the pool, subject to the definition of an agreement with the banks for the closure of the pending appeal proceedings.

On 10 July 2025, all the Banks signed a formal clearance to the Composition Proposal, and final court approval is awaited for the restitution to the Banks of a portion of the original disbursement.

Banca Monte dei Paschi di Siena S.p.A. vs. Barbero Metalli S.p.A.

The proceedings, with a total amount claimed equal to EUR 37.5 mln, were brought by B.M. 124 S.R.L. - official assignee of the composition in bankruptcy pertaining to Barbero Metalli S.p.A. in JV with BeCause - against the directors and external auditors of the company, as well as the different credit institutions jointly and severally, for having contributed to the insolvency of the company through the predatory lending.

The plaintiff asks for the directors, auditors and banks to be found jointly and severally liable for approximately EUR 37.5 mln as additional loss incurred by the company, and in the alternative liable for EUR 22.9 mln, as the value of individual detrimental transactions carried out by the company and expressly listed in the summons (the contribution indicated for the Parent Company would consist in having advanced EUR 8.8 mln to the company since 2009).

On 13 September, due to the failure of the settlement proposal put forward, the judge ordered the opening of the preliminary investigation of the case by means of technical advice. On 4 December 2024, the court-appointed expert was sworn in and the Bank appointed its own expert witness.

On 4 December 2024, the court-appointed expert was sworn in and the Parent Company appointed its own expert witness. The next hearing is scheduled for 8 October 2025 to examine the expert report.

Banca Monte dei Paschi di Siena S.p.A. vs. Isoldi S.p.A.

In June 2020, a summons was served by the bankruptcy receiver of Isoldi Holding S.p.A. in liquidation against several credit institutions (including the Parent Company) on the assumption of joint and several liability of the banks with the board of directors of Isoldi Holding S.p.A. in liquidation for having contributed to the commission of acts disposing of the company's assets, to the artificial survival of the company despite its insolvency and to the worsening thereof, identified as:

- purchase of shares and the related option rights of the company Aedes S.p.a., carried out at prejudicial conditions compared to market prices with an increase in indebtedness, in a position of equity and financial instability of the bankrupt company;
- access to a reorganisation plan pursuant to art. 67, paragraph 3, letter d), of the Bankruptcy Law, signed on 9 May 2011 by 7 banks (the Parent Company for 19%) and Isoldi Holding through the establishment of two new companies for the transfer of business units bound to the satisfaction of debtors with collaterals (Newco Isoldi and I.R.O.) and the disbursement of new funding for a total of EUR 17.6 bn secured by mortgages in grade II and sureties of Isoldi Holding.

The first hearing was held on 16 February 2023 with the judge reserving judgment on the various preliminary claims brought by the parties without granting the six-month postponement requested by the Receivers for the definition of an insolvency agreement and subsequent continuation of proceedings by the insolvent party. On 9 January 2024, the Judge withdrew his reservation, recognising, on a preliminary basis, the assignee's legitimacy to continue the proceedings initiated by the receivers and approving the court-appointed expert in relation to the two macro transactions referred to in the summons. The lawsuit, scheduled for January 2025, was then postponed as negotiations were opened to settle out of court the pending litigation with the bankrupt Isoldi Holding (formerly Isoldi S.p.A.), now BeCause. On 13 February 2025, the Parent Company paid the agreed sum net of the court-appointed expert's fee, for which payment remains outstanding and the exclusion from the proceedings was formalised.

By order dated 12 April 2025, the proceedings were declared partially extinguished with respect to the procedural position of Banca MPS.

Banca Monte dei Paschi di Siena S.p.A. vs. Parrini S.p.a.

The lawsuit, with a total amount claimed equal to EUR 42.2 mln, was brought against different credit institutions jointly and severally alleged to have contributed to the insolvency of the company through predatory lending.

Notably, in regard to the position of the former subsidiary MPS Capital Services S.p.A. (now merged into the Parent Company), the complaint concerns the connivance with the acts of maladministration of the directors, who made use of credit at a time when the state of crisis of the company was no longer remediable, not in view of a corporate restructuring, but for the sole purpose of continuing the business activity and management, without letting this state of crisis become public, thus delaying the declaration of insolvency, and causing damage to the company and its creditors by granting a mortgage loan on 4 August 2011.

Given the content of the claims, the share of the risk pertaining to the former subsidiary MPS Capital Services S.p.A., jointly and severally summoned with the other defendants to pay the entire amount requested in relief, has not been quantified.

On 3 February 2022, the Judge lifted the reserve by postponing the case to the hearing of 31 October 2022 to produce items of evidence. The receivers asked for the appointment of a court-appointed expert. At the hearing, the Receivers insisted on the request for an economic-financial and accounting court-appointed expert report and the request for the issuance of the order to produce evidence concerning the investigation carried out by the banks prior to the granting of the loans to Parrini.

The court-appointed expert was appointed last February, the Parent Company appointed its own expert witness. The next hearing is scheduled for 20 October 2025 to examine the expert report. A deadline was granted to assess the possibility of a settlement agreement, and the hearing for the court-appointed expert's examination was adjourned to 25 January 2026.

Banca Monte dei Paschi di Siena S.p.A. vs. Berloni Immobiliare Srl

By writ of summons served on 2 November 2018, Berloni Immobiliare Srl and Berloni Marcello sued before the Court of Pesaro (G.R. 2923/2018) the Parent Company together with 7 other banking and financial institutions, the assessor and the drafting company, in order to obtain the declaration of nullity and/or annulment of all the acts carried out in execution of the recovery plan and the financing agreement reached between the defendant Banks and the companies of the Berloni Group (financing, mortgage registrations, pledges, contribution of shares, etc.), as well as an order that the defendants be ordered jointly and severally to pay damages, both pecuniary and non-pecuniary, allegedly suffered. The total claim for damages is quantified at EUR 53.5 mln and the Parent Company has entered an appearance. In May 2019, Berloni Immobiliare srl filed a quitclaim. The lawsuit continued for a total amount claimed of approximately EUR 30 mln. In November 2022, a court-appointed expert was ordered to verify the 'manifest unsuitability' of the recovery plan drawn up. The case was decided by order of 3 October 2024.

On 12 March 2025, the judgment was published rejecting all the plaintiff's claims in full and condemning the opposing party to pay the costs in favor of each defendant. The parent company's legal counsel notified the judgment on 13 March 2025 and is verifying that the judgment has become final, following notification of the same by all the other defendants. The judgment became final as of 9 May 2025.

Banca Monte dei Paschi di Siena S.p.A. vs. Extraordinary Administrators of Impresa S.p.A.

By means of a writ of summons served on 11 November 2016, Impresa S.p.A. in extraordinary administration sued the Parent Company, together with other banks participating in a pool (our share 36.48%), to ascertain and declare the liability of said companies, of the members of the Board of Directors of Impresa S.p.A., and of the independent auditors, and to order them to pay damages, jointly, allegedly suffered by the company in the amount of EUR 166.9 mln.

According to the allegations, the banks, in conspiracy with the statutory auditors, directors and auditors, by financing the acquisition of the infrastructure branch of B.T.P. S.p.A. by Impresa S.p.A. caused the latter's bankruptcy. The Parent Company appeared before the court.

At the hearing on 7 January 2023, the judge admitted a Court Appointed Expert (CTU), filed on 29 March 2024. On the basis of the report, the disputed transaction would have generated an imbalance in the company's sources of financing, causing the unsustainability of the debt and the consequent insolvency of Impresa S.p.A., quantifying the relative damage at EUR 86.1 mln and noting how the credit rating was not adequately assessed by the financing banks at the time of disbursement.

At the hearing on 22 April 2024, the Judge recorded the parties' exceptions and granted a time limit for written notes to 31 May 2024. After filing the authorised notes by the stated deadlines, the Judge's decision to lift the reservation is pending.

Banca Monte dei Paschi di Siena S.p.A./Unieco Società Cooperativa

With a deed notified on 11 February 2025, Unieco Società Cooperativa in Compulsory Administrative Liquidation, in the person of the Liquidator, cited the directors and former directors of the company, the auditors and the banks financing the debt restructuring agreement pursuant to art. 182 bis LF of 2013. The central point of the opposing action is based on the concrete feasibility of the restructuring plan presented by UNIECO, requesting: (a) to ascertain and declare the joint and several liability pursuant to Article 2055 of the Italian Civil Code of the defendants for having caused Unieco Società Cooperativa, now in compulsory liquidation, and its creditors damage currently quantifiable at EUR 55.5 mln, or such greater or lesser amount as may be determined at the end of the proceedings; (b) consequently, to order the defendants, jointly and severally, to pay Unieco Società Cooperativa, in LCA, the aforementioned sum, plus interest and monetary revaluation. Furthermore, the reimbursement of the fees and legal costs is requested, in addition to the reimbursement of general expenses in the amount of 15% of the fees, and additional costs.

The first hearing, originally scheduled for 21 July 2025 before the Companies Section of the Bologna Court, was postponed to 27 November 2025.

2. Employment law disputes

As at 30 June 2025, tax disputes were pending for which the total amount claimed, where quantified, was equal to approximately EUR 35.8 mln. Specifically:

- Approximately EUR 29.8 mln as the *amount claimed* in disputes classified as carrying a “probable” risk of an unfavourable outcome, for which provisions of approximately EUR 12.5 mln have been recognised;
- approximately EUR 6.1 mln as the amount claimed in legal disputes classified as carrying a “possible” risk of an unfavourable outcome.

Information on the most significant disputes pending as at 30 June 2025 is provided below.

Banca Monte dei Paschi di Siena S.p.A. vs. Fruendo

The transaction for the sale of the “back office” business unit of Banca MPS to Fruendo, dating back to 1 January 2014 for 1064 resources, was declared unlawful in all levels of proceedings and resulted in the reinstatement with the Parent Company of 452 plaintiffs (1 April 2020), at the same time seconded to the company.

It should also be noted that in the case of the transfer of a branch of business deemed unlawful, the Court of Cassation, with reference to the salary obligation incumbent on the transferor, has ruled in a manner that differs from the settled opinion of the Court of Cassation itself. In fact, numerous rulings, issued starting from July 2019, stated that, in the event the transfer of the employment relationship, in the broader context of the transfer of business units, is declared unlawful, the transferor employer, who does not reinstate the employees, is still liable to fulfil the remuneration obligations in addition to those fulfilled by the transferee employer, since the principle that the payment made by the latter would discharge the former is considered not applicable to the case in question.

Based on this change in case law (“double remuneration”), as at the reporting date of this Half-Yearly Financial Report, 24 workers involved in the transfer of the business unit and recipients of the above rulings in their favour, have sued the Parent Company in order to request the remuneration allegedly due. These actions were lodged before the Courts of Siena, Florence, Mantua and Rome, with hearings currently scheduled between October 2025 and May 2026.

The progress of litigation, in its various stages, has led to negotiations for the settlement of disputes that have resulted in 351 settlements to date.

With reference to the “unlawful contract” line of the suit, a first group of appeals by Fruendo workers (52 then reduced to 32 following waivers/settlements) was rejected at first instance by the Court of Siena on 25 January 2019. This ruling was challenged by 16 workers before the Court of Appeal of Florence Labour Law Division which, on the other hand, ascertained the illegitimacy of the contract, ordering the reinstatement in service of 14 workers (as for 2 workers, the matter of the dispute was declared to have ceased to exist following waivers/conciliations), which was implemented with effect from 1 March 2022. The final ruling against the Bank was pronounced by the Supreme Court of Cassation by order of 17 May 2024.

Further actions were filed to ascertain the unlawfulness of the contract, which currently involve 30 Fruendo workers, all of which have been brought before the Court of Siena - labour section:

- for two groups of plaintiffs (18 in total, subsequently reduced to 14 as a result of waivers/conciliations) who brought class actions, first instance rulings were pronounced in favour of the Bank by the Labour Law Division of the Court of Siena. The Florence Court of Appeal, by rulings issued on 5 April 2024, rejected the workers’ appeals and the cases are currently pending in Cassation;
- for another group of applicants (18 in total, subsequently reduced to 16 as a result of waivers/conciliations), a first instance decision is currently pending before the Court of Siena, Labour Law Division, in the preliminary investigation phase, with the next hearing set for March 2026;
- for the only applicant filing individual proceedings, the Labour Law Division of the Court of Siena issued a ruling against the Parent Company. The employee was readmitted to service on 1 March 2024 and the case was settled out of court on 10 September 2024.

3. Tax disputes

As at 30 June 2025, tax disputes were pending for which the total amount claimed, where quantified, was equal to approximately EUR 31.9 mln. Specifically:

- approx. EUR 13.8 mln as a total amount claimed for disputes for which there is a “likely” risk of disbursing financial resources, for which provisions of approx. EUR 11.9 mln have been allocated;
- approx. EUR 18.0 mln as a total amount claimed for disputes for which there is a “possible” risk of disbursing financial resources.

Risk linked to representations and warranties given in the sale and demerger of impaired loans

In previous years, the Group launched an important destocking plan for non-performing loans with the aim of significantly reducing its NPE ratio. As part of these transfers of non-performing loan portfolios, indemnities are envisaged to be paid to the transferee counterparties if the representations and warranties (R&W) issued prove untrue.

In this regard, note the securitisation transaction carried out by the Group in December 2017 in favour of Siena NPL which resulted in the cancellation of bad loans for a gross exposure of over EUR 22 bn, whose R&W expired on 31 July 2021. At the date of these half-yearly financial statements, all claims received by the deadline were reviewed, of which a small percentage were assessed as well-founded and paid.

Also noteworthy are, (i) the “Hydra-M” demerger transaction in the 2020 financial year concerning EUR 7.2 bn of gross impaired loans whose R&W matured on 1 December 2022 and for which all claims received were analysed and paid where deemed justified; (ii) the 2022 “Fantino” sale transaction concerning EUR 0.9 bn of impaired loans whose representations and warranties expired between 28 October 2023 (Intrum S.p.A.) and 20 May 2024 (Amco S.p.A. and Illimity S.p.A.); all claims received were analysed and paid where deemed justified; (iii) the 2023 “Mugello” sale transaction concerning EUR 0.2 bn of impaired loans, whose representations expired in the first quarter of 2025; to date, a small number of claims have been notified; all claims received were analysed and paid where deemed justified; (iv) the 2024 ‘Bricks’ sale transaction finalised through the signing of three sale agreements with different assignees and concerning a total of EUR 0.3 bn of impaired loans, whose representations and warranties will expire between December 2025 and the first quarter of 2026; as of today, no indemnity claims have been notified. (v) The “Small Gem” disposal transaction was completed in the first half of 2025 through the signing of a sale agreement involving a total of EUR 44 mln in non-performing loans, with the related representations and warranties set to expire on 23 September 2026; to date, no claims have been notified.

The total amount claimed for these transactions as at 30 June 2025 amounted to EUR 269.4 mln, of which around EUR 58.3 mln classified as “likely” risk of losing and around EUR 211.1 mln as “possible” risk of losing.

For some of the aforementioned transactions, a risk remains limited to that part of the claims already analysed and considered non-indemnifiable by the Group in addition, where present, to the residual component of claims to be analysed.

In general, the risk provisions for this type of transaction, if the claims are not fully analysed and/or the expiry date has not yet matured, are also determined through the use of statistical techniques to take into account the overall expected risk.

ESG Risks

In light of the growing importance of ESG risk factors in regulation, government policies, stakeholder awareness and also following specific initiatives promoted by the ECB, particularly on Climate related and Environmental Risks – C & E Risks, the Group is carrying out a series of activities relating to the integration of C&E risk factors into the risk management framework and into the Group's governance and strategic processes.

The process of identifying, verifying the materiality and relevance of E-climate risks in the short, medium and long term, preparatory to the definition of the Group's Risk Appetite Statement, was carried out in substantial continuity with the assumptions adopted for the Consolidated Financial Statement at 31 December 2024 and for the details of which please refer to paragraph. "ESG Risks" contained in "Part E - Information on risks and related coverage policies" of the Consolidated Financial Statements as at 31 December 2024 of the MPS Group.

As regards E-non climate risks - i.e. risks relating to "Water Resources", "Circular Economy", "Pollution" and "Biodiversity and Ecosystems" - the identification and materiality verification process has been integrated for the RAS 2025 with the analysis of non-climate environmental risk factors, in the two perspectives of physical risk and transition risk based on the Group's primary financial risks (credit, operational, market and liquidity risk). The summary indicators, transition risk E-non climate (Water resources, Circular Economy, Pollution and Biodiversity and Ecosystems) and physical risk E-non climate (Water resources and Biodiversity and Ecosystems), are overall material for credit risks and, as such, have been proposed and approved as KRI RAS 2025 for the Non-Financial Companies perimeter. Respective operational limits have been applied to the organisational structures most involved in the operations/perimeter concerned.

The following is a summary of the analysis activities performed by the Group during the year, aimed at identifying the exposure of credit portfolios to environmental/climate factors, for risk factors found to be material and regularly monitored as KRI RAS during the first half of 2025.

Climate transition risk Non-financial companies

With regard to **climate transition risk** - understood as the financial loss that a company may incur, directly or indirectly, as a result of the adjustment process towards a low-carbon and more environmentally sustainable economy - with regard to corporate customers, the Group quantifies the exposure of counterparties (or of their individual credit exposures) to this risk by means of an internally calculated sector indicator, which expresses the transition risk of the financed entity and the respective production activity. A higher value of the indicator therefore corresponds to a smaller distance from the full environmental sustainability of the activity and its financing and, consequently, a lower transition risk for the counterparty or portfolio considered.

Among the aspects most affecting the transition/credit risk of production companies, particularly relevant are the objectives and related risks linked to climate change, deriving from the impact that human activities (production and otherwise) have on the phenomenon, mainly through GHG (Greenhouse Gases) emissions released into the atmosphere.

To better understand the specific scope of risk and strategic aspects related to climate change and its mitigation through the process of energy transition and reduction of GHG emissions, the Group has used a specific "emissions" transition risk indicator, defined as Transition Exposure Coefficient or TEC CCM (Climate Change Mitigation).

The indicator focuses on risk factors specifically related to the reduction of GHG emissions and thus to the energy transition; and is therefore representative of the share of an exposure exposed to transition risk. To calculate the TEC CCM, the Group combines elements assessed at the level of a company's business sector with customer-specific elements collected through a questionnaire administered to business customers. Exposures are also classified into transition risk classes.¹³

The KRI RAS is based on the TEC CCM, on which the respective operating limits are defined and adapted to the responsible units. The objectives in terms of the containment of the average portfolio TEC will be more suitable to address the "financed" GHG emission reduction plans incorporated in the strategies of the Net Zero Banking Alliance initiative and, in general, to the path towards making the Bank's assets sustainable from a CCM perspective.

As at 30 June 2025, the overall measure at Group level of exposure to transition risk, (measure entered as KRI in the 2025 RAS context), was 43%, as shown in the table and graph below, which show the distribution of loans within the scope (EUR 39.78 bn) on the classes of TEC CCM.

¹³The TEC CCM is divided into five qualitative ranges in order to classify the positions of a given scope into separate risk classes: Very High, High, Medium, Low and Very Low.

■ MPS Group

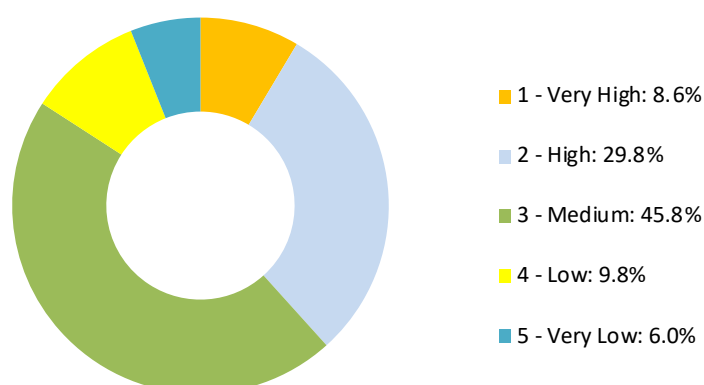
EUR/mln

Climate Transition Risk Level (TEC)	Credit GCA	Trans. Risk Exp.	Avg TEC
0 - Null TEC	4,366	-	0.0%
1 - Very Low	2,133	202	9.5%
2 - Low	3,486	779	22.4%
3 - Medium	16,223	6,690	41.2%
4 - High	10,542	6,894	65.4%
5 - Very High	3,031	2,543	83.9%
Total Non Fin. CTP Loans & Adv.	39,781	17,107	43.0%

GMPS Loans & Advances to Non-Fin. Companies

Transition Risk

Loans by TEC-CCM class: 30/06/2025
(given a not null TEC, about EUR 35.4 bn)



Climate transition risk residential mortgages to private individuals

For **private customers**, the energy performance labels (APE in Italy, EPC in the European context) of mortgaged properties are the most significant indicator approximating the emission impact and more generally the attitude towards climate change mitigation for mortgage loans. In order to identify transition risk, the Group is currently placing this risk in direct relation to the characteristics of the properties offered as mortgage security, providing a first proxy of alignment to the transition, through characteristics of energy efficiency.

The level of energy performance of residential mortgage properties, and the related information on consumption and GHG emissions, will be compulsorily collected at underwriting for new mortgages from April 2023.

As at 30 June 2025, approximately 52.1% of the residual debt on residential mortgages secured by real estate was covered by the effective energy label (49.7% at the end of 31 March 2025).

At the same date, the component of mortgages covered by the energy label was broken down by APE levels according to the table and graph below.

■ MPS Group

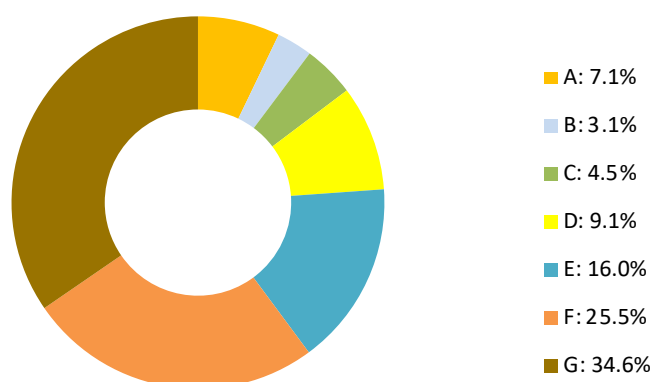
EUR/mln

EPC label level	outstanding	%
A	1,213.24	3.7%
B	527.63	1.6%
C	764.49	2.3%
D	1,557.60	4.8%
E	2,725.49	8.3%
F	4,349.77	13.3%
G	5,889.67	18.0%
Total mortgages covered by actual EPC	17,027.88	52.1%
Without/Unknown EPC	15,671.62	47.9%
Total residential mortgages	32,699.50	100.0%

GMPS Residential Mortgages

Actual EPC level distribution

Loans by actual EP level of collaterals: 30/06/2025



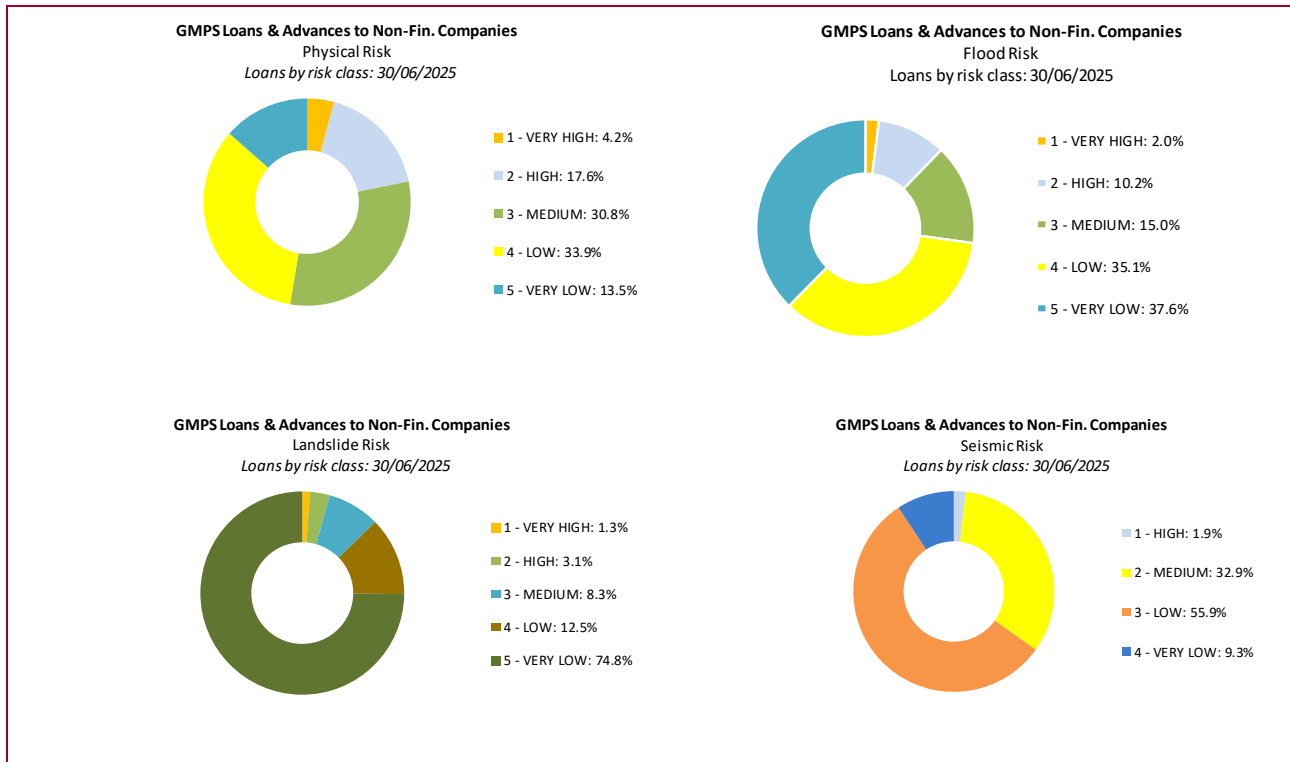
Climate physical risk non-financial companies

The "transmission channel" of the impacts of **physical climate risk** on **companies** consists of the damages that events of **acute physical risk** (landslides, floods, atmospheric precipitation, hurricanes, fire) may cause to the company's production assets, possibly resulting in prolonged business interruptions that may compromise the company's regular operation with consequences of loss of profitability or even closure and bankruptcy.

There is also another way of transmitting physical/climatic events to the prospective profitability and solvency of a production company, transitioning from the gradual but inexorable change in the conditions in which the production unit operates, which may compromise the context or the business model. In this case, we refer to a **chronic physical risk**, linked, for example, to increased temperatures or the frequency of precipitation, conditions that could compromise the production process especially in those sectors of activity that are more dependent or exposed to such conditions (e.g. agriculture or activities carried out outdoors, such as construction, etc.).

As at 30 June 2025, 21.8% of deposits and unsecured loans to non-financial companies, (a portfolio totalling approximately EUR 39.78 bn) were exposed to "high" or "very high" physical risk (acute or chronic).

The following graphs show the distribution on loans to non-financial companies of the levels of physical risk in general and then of the main acute physical risk factors (landslide and flood) and finally the seismic risk¹⁴ (earthquake).



Climate physical risk residential mortgages to private individuals

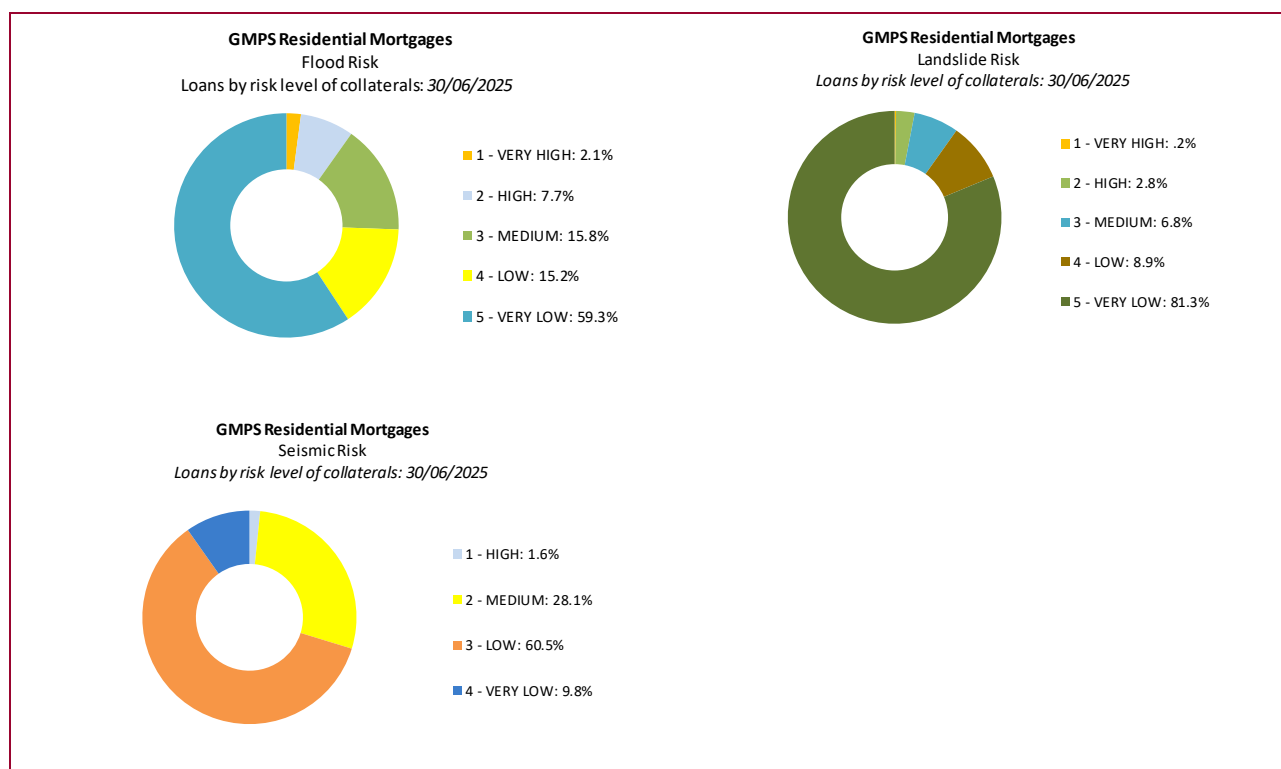
With regard to physical risk, the Group monitors the exposure of credit portfolios to physical risk factors. In particular, the focus was on the risk of private customers, with an analysis aimed at the properties guaranteeing residential mortgages, based on the location of the properties themselves. The perimeter exposure of loans was mapped by geolocalising the real estate, and thus attaching the appropriate zone of the applicable risk factor mapping (based on point location by census cell for properties already in the systems, based on ISPRA maps for properties related to new loan transactions) for hydro-geological risks or specific grid for other risks.

The analysed risk factors that can cause acute physical damage to a property are Landslide, Flood, Wind Fire (widely considered as climate-related) in addition to the seismic risk that is monitored although not related to climate change. The data used to determine the short-, medium- and long-term risk maps and the corresponding RAS Key Risk Indicator (KRI) monitored quarterly during the year were retrieved from specialised data-providers and from ISPRA (Institute for Environmental Protection and Research) public databases.

As at 30 June 2025, 16.1% (17.3% at 31 March 2025) of the total outstanding exposure in residential mortgages – amounting to EUR 32.69 bn – was secured by properties located in geographical areas (municipalities) classified as “high” or “very high” risk for at least one of the following hazards: landslide, flood, wind or fire.

The graphs below show the breakdown of residential mortgage loans at the level of riskiness of the location of their collateral properties, as regards the monitored risk factors.

¹⁴ Seismic risk is not considered as climate-related risk, but is nevertheless monitored alongside physical climate risk, as a further potential natural risk factor.



Non-climate transition risk Non-financial companies

The analyses and process followed for climate risks have also been extended to risks that may arise from the degradation of ecosystems and the loss of biodiversity (non-climate environmental risks).

In analogy with what was done for Climate risks, the MPS Group has estimated for each economic sector a TEC indicator or coefficient of exposure to non-climate transition risk, starting from the four non-climate environmental taxonomic themes: Protection and use of water and marine resources, Circular economy, Pollution and Ecosystems and Biodiversity.

As of 30 June 2025, the overall measure at Group level of exposure to non-climate environmental transition risk (measure included as KRI in the RAS 2025), is equal to 14.6% as can be seen from the following table, which reports for the investments in the scope (EUR 39.78 bn), in addition to the value of the overall KRI, the detail of the KRI on the monitored risk factors.

■ MPS group	
Eur/mln	
Exposure to E-nonC risks	
Total perimeter	39,780.8
KRI transition risks	14.6%
Water resources	11.7%
Circular economy	21.3%
Pollution	17.0%
Biodiversity	11.0%

Non-climate physical risk non-financial companies

With regard to the physical environmental risk of companies, which essentially derives from a high dependence on ecosystem services based on the economic activity carried out and the relative geographical area of location, an exposure indicator has been introduced which takes into account the items Water Resources and Biodiversity.

As of 30 June 2025, 42.7% of cash and endorsement loans to non-financial companies, a portfolio that amounts to approximately EUR 39.78 bn, is exposed to "high" or "very high" non-climate environmental risk, as can be seen from the following table which reports for the loans in the scope (EUR 39.78 bn), in addition to the value of the overall KRI, the detail of the KRI on the monitored risk factors.

■ MPS group	
Eur/mln	
<hr/>	
Exposure to E-nonC risks	
Total perimeter	39,780.8
<hr/>	
KRI physical eco-systemic risks	42.7%
Water resources	52.1%
Other ecosystems and biodiversity	23.8%
<hr/>	

Audits

As the Group carries out banking activities and provides investment services, it is subject to comprehensive regulation and supervision, in particular by the ECB, Bank of Italy and CONSOB, each for the respective areas of responsibility. Below are the main activities undertaken by the Supervisory Bodies in the first half of the year, or with significant updates compared to those published in the 2024 Financial Statements.

Deep Dive on Digital Transformation

During the second half of 2024, the Bank was included in a Deep Dive audit on the digital transformation process, in order to verify the adherence of the implemented strategy/processes to the expectations of the Supervisory Authority. On 23 May 2025, the Parent Company received the ECB's Feedback Letter on the outcomes of the audit, which highlighted two findings that the Bank will address during 2025 through specific remedial actions and five points of attention that will also be duly targeted by the Bank.

Audit on internal models - Internal Model Investigation (IMI-2024-ITMPS-0241024)

In December 2024, the ECB initiated an on-site inspection for the approval of the application submitted by the Bank for the application of material model changes in the area of credit risk models. The activity concluded with the exit meeting held at the end of June 2025, preceded by the submission of the draft inspection report. The Parent Company is awaiting the final inspection report, which will be followed by the initiation of the ECB's formal decision-making process.

Internal Governance and Risk Management Investigation Activity (OSI 0259894)

In February 2025, the ECB initiated an on-site inspection of internal governance and risk management, with the aim of verifying the related governance and risk management processes implemented by the Parent Company. The activity was completed in May 2025, and the Parent Company is awaiting receipt of the final inspection report.

Supervisory monitoring assessment of the remediation plan for climate and environmental risks

In 2022, the ECB notified the Bank of the outcome of the Thematic Review on climate and environmental risks and subsequently communicated its expectation of alignment by 2024 with the 2020 ECB guidelines on climate and environmental risks.

On 16 June 2025, the ECB sent a draft feedback letter concerning the outcome of assessment of the actions implemented by the Parent Company as at 31 December 2024, which will be followed by the final version.

Cyber Resiliency Stress Test 2024

The Parent Company was selected by the ECB to participate in the 2024 cyber resiliency stress test, aimed at assessing the digital operational resilience of significant entities in the event of a serious cyber security threat. The ECB informed the Parent Company of the outcome of the exercise during July 2024, reporting five findings: one finding was closed at the end of 2024, while the remaining ones will be closed by December 2025, in line with the ECB's expectations.

Cyber Resilience Targeted Review

During the second half of 2024, the Bank was included in a Targeted Review on "Cyber Resilience". The Parent Company responded to the questionnaire in October 2024 and is awaiting the final outcome of the ECB's assessment.

UTP Deep Dive

In October 2024, the Bank was included in a Deep Dive audit on UTP loans, with a focus on governance and monitoring processes and a specific credit file review; On 27 May 2025, the Parent Company received the *follow-up letter*, which identified four findings; on 26 June 2025, the Parent Company's Board of Directors approved the remediation plan to address the above findings by 30 September 2025, in line with the deadlines set by the Supervisory Authority.

Outsourcing Targeted Review

During October 2024, the ECB initiated a Targeted Review on the outsourcing processes implemented by the Bank. On 15 May 2025, the Bank received a communication on the outcome of a supervisory review, identifying six findings; on 26 June 2025, the Parent Company's Board of Directors approved the remediation plan to address these findings during 2025, within the deadlines indicated by the Supervisory Authority.

Credit and counterparty risk audit (OSI 0240556)

During the period from November 2024 to March 2025, the ECB performed an on-site credit and counterparty risk inspection of the SME segment, with the main objectives of verifying compliance with IFRS 9 requirements, examining credit processes and performing a specific credit quality review. On 12 June 2025, the ECB sent the inspection report concerning the activities carried out, which identified eight findings. The Parent Company is awaiting the follow-up letter specifying the expected remedial actions.

Funding Plan feasibility Targeted Review

On 4 November 2024, the Bank received the outcome of the *Targeted Review on the funding plan*, conducted in the second half of 2023, which raised three *findings*; the Bank subsequently implemented the required remedial actions within the indicated deadlines.

EBA EU-Wide Stress Test 2025

The Parent Company was selected to participate in the EBA EU-Wide Stress Test 2025 exercise, being conducted in the first half of 2025, aimed at assessing the resilience of the European banking sector; the outcome of the exercise is expected to be published in August 2025.

Bank of Italy Desk Inspection on PAD Directive

In October 2024, a branch inspection visit was initiated by the Bank of Italy to investigate compliance with the implementing provisions of Directive 2014/92/EU (Payment Accounts Directive - PAD) on 12 selected branches within 4 regions (Tuscany, Lombardy, Apulia and Calabria). The visit concluded in December 2024 and on 7 April 2025 the Parent Company received the final report from the Bank of Italy. The inspection did not reveal any critical issues but included requests for changes to the process in order to improve compliance with the PAD regulations. On 8 May, the Parent Company's Board of Directors approved the action plan, which was submitted to the Supervisory Authority via certified email (PEC) on 14 May.

Supervisory activities and conclusion of Consob sanctioning procedure on EMIR reporting

On 30 May 2025, following the conclusion of the sanctioning procedure initiated by Consob on 12 September 2024 for a breach of Article 9 of Regulation (EU) 648/2012 (EMIR Regulation) concerning certain errors in derivative contract reporting, the Authority imposed an administrative fine of EUR 75,000 on the Bank. The Bank has already adopted and implemented appropriate measures to address the issues raised.

Bank of Italy inspection on the adequacy of governance, organisational, and control arrangements regarding customer protection

On 19 May 2025, the Bank of Italy launched an inspection at the Parent Company concerning the "adequacy of governance, organisational, and control arrangements in relation to customer protection" of which the on-site part was completed within the planned deadline of 1 August 2025. The Authority will subsequently report the outcomes of the inspection visit.

Results by Operating Segment

Identification of Operating Segments

In accordance with the provisions of IFRS 8, the operating segments have been identified based on the main business sectors in which the Group operates. As a result, by adopting the “business approach”, consolidated income statement and balance sheet data are broken down and re-aggregated based on criteria including: business area concerned, operating structure of reference, relevance and strategic importance of activities carried out, and customer clusters served.

Note that from 30 June 2024, as described in more detail in the paragraph “Income statement and balance sheet reclassification principles”, to which reference is made, the costs and revenues as well as the assets and liabilities referring to the consolidated contribution of the subsidiary MP Banque are included on a line-by-line basis in the relevant individual income statement and balance sheet items within the *Corporate Center*.

Based on the Group’s reporting criteria, which also take into account the organisational structures and the above, the following operating segments are defined:

- **Retail Banking**, which includes the income statement/balance sheet results of Retail customers (Value and Premium segments) and Banca Widiba S.p.A. (Financial Advisor Network and Self-service channel);
- **Wealth Management**, which includes the income statement/balance sheet results of Private Banking customers (Private Banking and Family Office segments) and the subsidiary MPS Fiduciaria;
- **Corporate Banking**, which includes the income statement/balance sheet results of enterprise customers (SME, Corporate Client and Small Business segments) and the Foreign Branches;
- **Large Corporate and Investment Banking**, which includes the income statement/balance sheet results of Large Corporate customers, and of the Corporate Finance and Investment Banking and Global Markets Business Units;
- **Corporate Centre**, which in addition to the offsetting of intragroup entries, incorporates the results of the following business centres:
 - Non-Performing customers managed centrally by the Non-Performing Loans Unit;
 - companies consolidated with the equity method and those held for sale;
 - operating units, such as proprietary finance, treasury and capital management;
 - service units supporting the Group’s business, dedicated in particular to the management and development of IT systems.

The income statement and balance sheet results for each identified operating segment are shown in the following paragraphs.

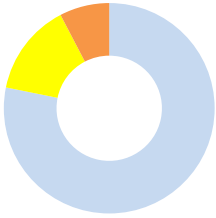
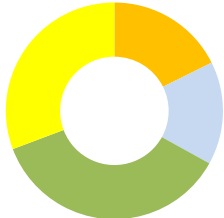
Results in brief

The following table shows the main income statement and balance sheet aggregates for the Group's operating segments as at 30 June 2025:

SEGMENT REPORTING												
Main business sectors (mlns of euros)	Sales & Distribution segments										Total Montepaschi Group	
	Retail Banking		Wealth Management		Corporate Banking		Large Corporate & Investment Banking		Corporate Center			
	30/06/25	% Chg. Y/Y	30/06/25	% Chg. Y/Y	30/06/25	% Chg. Y/Y	30/06/25	% Chg. Y/Y	30/06/25	% Chg. Y/Y	30/06/25	% Chg. Y/Y
PROFIT AND LOSS												
AGGREGATES												
Total Revenues	1,023.3	-14.9%	91.6	-3.6%	585.4	-11.5%	161.1	-12.8%	192.6	n.m.	2,054.0	1.2%
Operating expenses	(579.5)	2.1%	(55.0)	-4.6%	(194.7)	-3.3%	(46.0)	27.1%	(67.9)	8.6%	(943.0)	2.0%
Gross Operating Result	443.9	-30.1	36.6	-2.1%	390.7	-15.1%	115.1	-22.5%	124.7	n.m.	1,111.0	0.5%
Cost of customer credit/ Value adjustments for impairment to securities and loans to banks	(27.1)	-64.2%	0.7	n.m.	(145.2)	76.3%	2.0	n.m.	(5.3)	-79.9%	(174.9)	-16.2%
Net operating income	416.8	-25.5%	37.3	3.6%	245.5	-35.0%	117.2	-6.9%	119.4	n.m.	936.1	4.3%
	30/06/25	% Chg. 31/12	30/06/25	% Chg. 31/12	30/06/25	% Chg. 31/12	30/06/25	% Chg. 31/12	30/06/25	% Chg. 31/12	30/06/25	% Chg. 31/12
BALANCE SHEET												
AGGREGATES												
Gross interest-bearing loans to customers (*)	34,298	5.8%	525	7.2%	30,939	3.9%	4,622	3.5%	11,080	-0.1%	81,464	4.1%
Direct funding	45,162	1.0%	3,194	5.2%	21,442	5.3%	4,052	-9.5%	20,659	-3.4%	94,509	0.6%
Indirect funding	63,295	2.5%	16,986	3.4%	6,351	4.9%	8,693	5.9%	10,571	-1.9%	105,895	2.6%
Assets under management	47,673	1.3%	11,273	2.0%	1,162	0.6%	37	-2.2%	537	-10.3%	60,681	1.3%
Assets under custody	15,622	6.3%	5,713	6.3%	5,189	6.0%	8,656	5.9%	10,034	-1.4%	45,214	4.4%

(*) The value shown in the Group as well as that in the operating segments is represented by gross interest-bearing loans to customers, therefore not including loss provisions.

Retail Banking

Business areas	Customers																		
<p>Retail MPS</p> <ul style="list-style-type: none"> • Funding and provision of insurance products. • Lending. • Financial advisory services. • Electronic payment services. <p>Banca Widiba</p> <ul style="list-style-type: none"> • Banking products and services, deposit accounts, cards and advanced payment systems; customer operations in self-service mode through the Bank's digital channels or in assisted mode with the support of a Financial Adviser. • Fully customisable online platform that relies on a network of 576 Financial Advisors present throughout the country. • Funding and Global advisory services and financial planning through the advanced WISE platform and the skills of the Financial Advisor Network. • Mortgage loans, credit facilities and personal loans. • Innovative interaction through computers, smartphones, tablets, watches and TV. 	<p>Retail Banking customers number approximately 3.4 mln and include approximately 239,100 exclusive customers of Banca Widiba. The total number of Banca Widiba customers, including those shared with the Parent Company, is approximately 261,600, of which approximately 113,600 on the financial advisor network channel, approximately 103,800 on the Self-service channel, and approximately 44,200 customers migrated from the MPS branch network.</p> <div data-bbox="722 651 1321 1037"> <p style="text-align: center;">Breakdown by type</p>  <table border="1"> <thead> <tr> <th>Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Value</td> <td>78.2%</td> </tr> <tr> <td>Premium</td> <td>14.2%</td> </tr> <tr> <td>Widiba</td> <td>7.6%</td> </tr> </tbody> </table> </div> <div data-bbox="722 1037 1321 1417"> <p style="text-align: center;">Breakdown by geography</p>  <table border="1"> <thead> <tr> <th>Geography</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>North East</td> <td>17.4%</td> </tr> <tr> <td>North West</td> <td>15.6%</td> </tr> <tr> <td>Centre</td> <td>35.6%</td> </tr> <tr> <td>South</td> <td>31.4%</td> </tr> </tbody> </table> </div>	Type	Percentage	Value	78.2%	Premium	14.2%	Widiba	7.6%	Geography	Percentage	North East	17.4%	North West	15.6%	Centre	35.6%	South	31.4%
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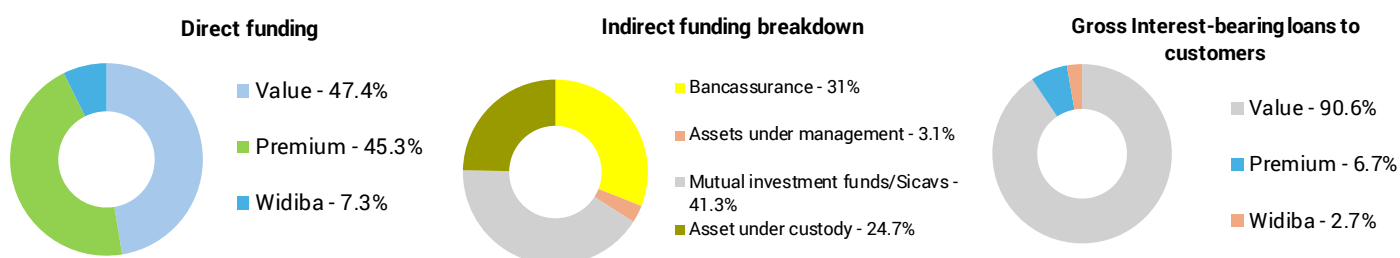
Income statement and balance sheet results

As at 30 June 2025, **Total Funding** for Retail Banking amounted to **EUR 108.5 bn**, an increase of EUR 1.5 bn compared to March 2025 and EUR 2.0 bn compared to year-end 2024. More specifically:

- **Direct Funding**, amounting to **EUR 45.2 bn**, rose by EUR 0.3 bn compared to 31 March 2025, mainly due to an increase in sight deposits (EUR +0.5 bn), while medium/long-term funding (EUR -0.1 bn) and the short-term component remained broadly stable. The aggregate increased by EUR 0.4 bn compared to 31 December 2024, reflecting growth in sight deposits (EUR +0.5 bn) and short-term funding (EUR +0.3 bn), while medium-to-long-term funding declined (EUR -0.3 bn).
- **Indirect Funding**, totalling **EUR 63.3 bn**, grew by EUR 1.1 bn compared to March 2025, due to an increase in assets under management (EUR +0.9 bn) and in assets under custody (EUR +0.3 bn). The aggregate also increased compared to 31 December 2024 (EUR +1.5 bn), with growth in both assets under custody (EUR +0.9 bn) and assets under management (EUR +0.6 bn). The growth in Indirect Funding since the start of the year reflects positive net inflows and, in the case of assets under custody, a favourable market effect.

As regards lending activity, **gross performing loans to Retail Banking customers** amounted to **EUR 34.3 bn**, increasing both compared to March 2025 (EUR +0.9 bn) and December 2024 (EUR +1.9 bn).

Retail Banking - Balance sheet aggregates							
(mlns of euros)	30/06/25	31/03/25	31/12/24	Abs. chg. Q/Q	% Chg. Q/Q	Abs. chg. 31/12	% Chg. 31/12
Direct funding	45,162	44,819	44,717	343	0.8%	445	1.0%
Assets under management	47,673	46,811	47,080	862	1.8%	592	1.3%
Assets under custody	15,622	15,355	14,693	267	1.7%	930	6.3%
Indirect funding from customers	63,295	62,166	61,773	1,129	1.8%	1,522	2.5%
Total funding	108,457	106,984	106,490	1,472	1.4%	1,967	1.8%
Gross interest-bearing loans to customers	34,298	33,380	32,409	918	2.8%	1,889	5.8%



With regard to economic performance, as at 30 June 2025, Retail Banking generated total **revenues** of **EUR 1,023 mln**, down 14.9% compared to 30 June 2024, mainly due to the impact of falling interest rates on the net interest margin, despite strong growth in net fees and commissions. A breakdown of the aggregate shows:

- Net Interest Income amounted to EUR 462 mln, up by EUR 236 mln compared to 30 June 2024; The decline was primarily attributable to the diminished contribution of funding, due to falling interest rates.
- Net fee and commission income amounted to EUR 540 mln, up EUR 59 mln compared to the same period of the previous year, due to higher income from product placement, services and lending;
- Other income from banking and insurance business amounted to approximately EUR 28 mln, up by EUR 4 mln compared to the corresponding period of the previous year.

Considering the impact of Operating Expenses, which were down by 2.1% compared to the previous year, Retail Banking generated a **Gross Operating Income** of about **EUR 444 mln** (about EUR 635 mln at 30 June 2024). The **Cost of credit** stood at **EUR -27 mln** (EUR -76 mln as at 30 June 2024).

The **Net Operating Result** as at 30 June 2025 was **positive, amounting to EUR 417 mln**.

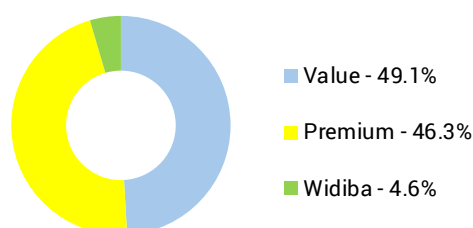
The non-operating components amounted to EUR -4 mln, compared to EUR -5 mln as at 30 June 2024.

The **Profit (loss) before tax from continuing operations** was equal to EUR 412 mln (EUR 554 mln as at 30 June 2024).

The **cost-income** ratio of the Operating Segment is **56.6%** (47.2% as at 30 June 2024).

Retail Banking - Economic aggregates				
(mlns of euros)	30/06/25	30/06/24	Chg. Y/Y	
			Abs.	%
Net interest income	462.3	698.6	(236.4)	-33.8%
Net fee and commission income	539.7	480.5	59.2	12.3%
Other income from banking and insurance business	27.7	23.5	4.2	17.9%
Other operating income and expenses	(6.3)	(0.2)	(6.2)	n.m.
Total Revenues	1,023.3	1,202.5	(179.2)	-14.9%
Operating expenses	(579.5)	(567.3)	(12.1)	2.1%
Gross Operating Result	443.9	635.2	(191.3)	-30.1%
Cost of customer credit/Value adjustments for impairment to securities and loans to banks	(27.1)	(75.7)	48.6	-64.2%
Net operating income	416.8	559.5	(142.7)	-25.5%
Non-operating items	(4.5)	(5.2)	0.8	-14.5
Profit (loss) before tax from continuing operations	412.3	554.3	(142.0)	-25.6

Breakdown of revenues



Results for the subsidiary

Banca Widiba S.p.A.: As at 30 June 2025, **Total Funding** at Banca Widiba amounted to **EUR 11.4 bn**, up by EUR 0.3 bn compared to 31 March 2025 (+3.1%) and by EUR 0.4 bn compared to year-end 2024 (+3.8%). Growth was recorded across all funding components, with the increase in the second quarter particularly marked in Assets Under Management. Net inflows remained positive in the second quarter, totalling EUR 145 mln (of which EUR 70 mln in Assets Under Management and EUR 12 mln in Assets Under Custody). Net inflows for the half-year totalled EUR 369 mln, driven by the financial advisory network, reflecting a stronger *commercial performance* compared to the first half of the previous year. The impact of financial market movements on the evolution of funding *stocks* was broadly neutral over the half-year, as the negative market effect recorded in the first quarter was fully recovered in the second quarter.

As for the financial results, as at 30 June 2025, Banca Widiba reported **total Revenues** of EUR 46.9 mln, down by EUR 18.9 mln (-28.7%) compared to the same period of the previous year, due to the decline in **Net interest income** (EUR -21.4 mln, of which EUR -27.4 mln was due to lower rates on intra-group assets with MPS – Treasury and IRS transactions hedging mortgages); Net Fees and Commissions, totalling EUR 12.6 mln, rose by EUR 2.6 mln year-on-year (+26.6%), showing strong growth across all gross commission segments (particularly in Assets Under Management), only partially offset by higher commission expenses paid to the financial advisor network, in line with the trend in gross income.

Gross Operating Income stood at EUR 16.2 mln (a decrease of EUR 18.5 mln, -53.3%), mainly due to the aforementioned decline in interest income, and absorbed Operating Costs, which amounted to EUR 30.7 mln (down EUR 0.4 mln, -1.3% compared to the first half of 2024).

In relation to a cost of credit of EUR 1.7 mln, up by EUR 0.8 mln compared to the previous year, **Net Operating Income** amounted to **EUR 14.5 mln**, down by EUR 19.3 mln compared to 2024 (-57.1%).

Non-operating items include net provisions of EUR 0.6 mln on some items of the risk and charges fund, EUR 1.0 mln for charges relating to the Eurovita operation and a write-back of EUR 0.1 mln relating to the life branch guarantee fund.

Profit (loss) before tax from continuing operations was equal to EUR 13.1 mln, down compared to the previous year (EUR -15.1 mln, -53.5%). **Net profit** for the half-year totalled **EUR 8.7 mln**, down EUR 9.8 mln compared to the first half of 2024 (-53.0%).

Wealth Management

Business areas	Customers												
<ul style="list-style-type: none"> • Funding, lending, provision of insurance products, financial and non-financial services to private customers. • Services and products for high-standing customers in the areas of wealth management, financial planning, consultancy on not strictly financial services (tax planning, real estate, art & legal advisory). • Fiduciary and trust services (through the subsidiary MPS Fiduciaria). 	<p>There are around 37,700 private customers.</p> <div data-bbox="831 775 1458 1133"> <p>Breakdown by type</p> <table border="1"> <tr> <td>Private</td> <td>93.9%</td> </tr> <tr> <td>Family Office</td> <td>6.1%</td> </tr> </table> </div> <div data-bbox="831 1133 1458 1529"> <p>Breakdown by geography</p> <table border="1"> <tr> <td>North East</td> <td>21.4%</td> </tr> <tr> <td>North West</td> <td>19.6%</td> </tr> <tr> <td>Centre</td> <td>38.1%</td> </tr> <tr> <td>South</td> <td>21%</td> </tr> </table> </div>	Private	93.9%	Family Office	6.1%	North East	21.4%	North West	19.6%	Centre	38.1%	South	21%
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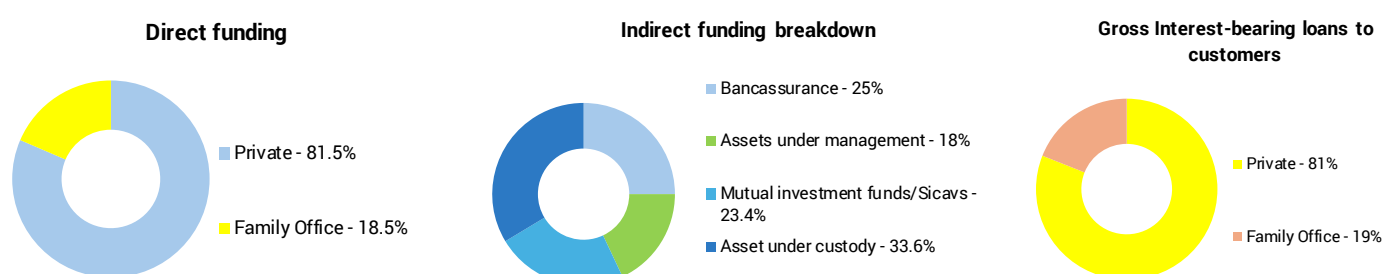
Income statement and balance sheet results

As at 30 June 2025, **Total Funding** in the Wealth Management segment amounted to **EUR 20.2 bn**, up EUR 0.5 bn compared to 31 March 2025 and EUR 0.7 bn compared to 31 December 2024. More specifically:

- **Direct Funding** amounted to **EUR 3.2 bn**, essentially unchanged from March 2025 levels and up EUR 0.2 bn compared to 31 December 2024;
- **Indirect Funding**, totalling **EUR 17.0 bn**, increased by EUR 0.5 bn versus the first quarter of 2025, reflecting growth in both Assets Under Management (EUR +0.3 bn) and Assets Under Custody (EUR +0.2 bn). The aggregate rose by EUR 0.6 bn versus year-end 2024, driven by increases in both Assets Under Custody (EUR +0.3 bn) and Assets Under Management (EUR +0.2 bn).

With regard to lending, **Gross Interest-Bearing Loans to Customers** remained essentially stable compared to both 31 March 2025 and 31 December 2024, standing at **EUR 0.5 bn**.

Wealth Management - Balance sheet aggregates							
(mlns of euros)	30/06/25	31/03/25	31/12/24	Abs. chg. Q/Q	% Chg. Q/Q	Abs. chg. 31/12	% Chg. 31/12
Direct funding	3,194	3,131	3,037	63	2.0%	157	5.2%
Assets under management	11,273	11,021	11,052	252	2.3%	221	2.0%
Assets under custody	5,713	5,498	5,373	215	3.9%	340	6.3%
Indirect funding from customers	16,986	16,518	16,425	468	2.8%	561	3.4%
Total funding	20,180	19,649	19,463	531	2.7%	717	3.7%
Gross interest-bearing loans to customers	525	520	489	4	0.8%	35	7.2%



With regard to profit and loss as at 30 June 2025, Wealth Management reported total Revenues equal to approx. **EUR 92 mln**, down by EUR 3 mln compared to the same period of last year. A breakdown of the aggregate shows:

- Net interest income amounted to EUR 21 mln, down EUR 9 mln compared to the same period of the previous year, mainly due to the lower contribution from funding, which was penalised by the decline in interest rates;
- net commissions amounted to EUR 66 mln, an increase of EUR 6 mln compared to 30 June 2024, due to the higher contribution of placement fees;
- Other Income from Banking and Insurance Business amounted to EUR 6 mln, up by EUR 1 mln YoY.

Considering the impact of Operating Expenses, which were down by 4.6% compared to the previous year, Wealth Management generated **Gross Operating Income** of **EUR 37 mln** (EUR 37 mln at 30 June 2024). Including Cost of credit equal to EUR -0,7 mln, the **Net Operating Income** totalled **EUR 37 mln**.

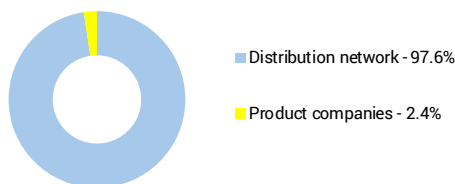
The non-operating components amounted to EUR -0.2 mln (EUR +0.1 mln as at 30 June 2024).

The **Profit (loss) before tax from continuing operations** was equal to **EUR 37 mln** (EUR 36 mln as at 30 June 2024).

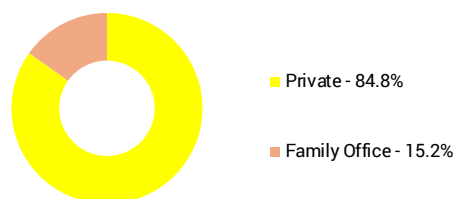
The **cost-income** ratio of the Operating Segment is **60.1%** (60.7% as at 30 June 2024).

Wealth Management - Economic aggregates				
(mlns of euros)	30/06/25	30/06/24	Chg. Y/Y	
			Abs.	%
<i>Net interest income</i>	20.5	30.0	-9.5	-31.6%
<i>Net fee and commission income</i>	65.9	59.7	6.1	10.2%
<i>Other income from banking and insurance business</i>	6.2	5.3	0.9	16.3%
<i>Other operating income and expenses</i>	(1.0)	(0.1)	-0.9	n.m.
Total Revenues	91.6	95.0	-3.4	-3.6%
<i>Operating expenses</i>	(55.0)	(57.6)	2.6	-4.6%
Gross Operating Result	36.6	37.4	-0.8	-2.1%
Cost of customer credit/Value adjustments for impairment to securities and loans to banks	0.7	(1.4)	2.1	n.m.
Net operating income	37.3	36.0	1.3	3.6%
Non-operating items	(0.2)	0.1	-0.3	n.m.
Profit (loss) before tax from continuing operations	37.1	36.1	1.0	2.7%

Breakdown of revenues



Distribution network - Breakdown of revenues



Results for the subsidiary

MPS Fiduciaria: as at 30 June 2025, the subsidiary achieved a profit of EUR 0.42 mln (approximately EUR 0.39 mln as at 30 June 2024).

Corporate Banking

Corporate Banking includes the financial results of corporate customers (SME, corporate and small business segments) and foreign branches.

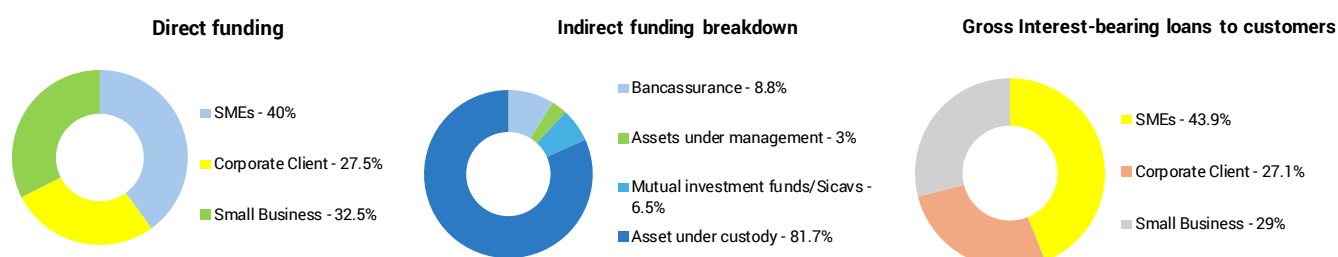
Business areas	Customers
<ul style="list-style-type: none"> Lending and offering financial products and services to businesses, including through strategic partnerships with trade associations and Confidi (credit guarantee consortia), with Guarantee Institutions (including public) and Institutional Entities, through which funding is acquired at favourable terms. Offering factoring for companies, artisans, professionals. Custody and deposit services for dairy products on behalf of third parties (through the subsidiary Magazzini Generali Fiduciari di Mantova S.p.A., which is also authorised to issue documents of title to the merchandise, providing for easier access to bank lending). 	About 117,500 Corporate customers of the Parent Company, directly followed by Corporate Banking.
	<p>Breakdown by type</p> <ul style="list-style-type: none"> SMEs and other companies - 23.6% Small Business - 73.5% Corporate client - 2.9%
	<p>Breakdown by geography</p> <ul style="list-style-type: none"> North East - 20.5% North West - 14.9% Centre - 37.0% South - 27.6%

Income statement and balance sheet results

Total Funding from Corporate Banking as at 30 June 2025 amounted to **EUR 27.8 bn**, up compared to 31 March 2025 (EUR +1.4 bn), due to the increase in Direct Funding (EUR +1.3 bn) while Indirect Funding is down (EUR -0.2 bn). The aggregate was also up compared to 2024 (EUR +1.4 bn), as a result of the increase in Direct Funding (EUR +1.1 bn) and, in part, in Indirect Funding (EUR +0.3 bn).

With regard to lending, as at 30 June 2025, **gross performing loans to Corporate Banking customers** amounted to **EUR 30.9 bn**, up compared to 31 March 2025 (EUR +0.5 bn) and 31 December 2024 (EUR +1.2 bn).

Corporate Banking - Balance sheet aggregates							
(mlns of euros)	30/06/25	31/03/25	31/12/24	Abs. chg. Q/Q	% Chg. Q/Q	Abs. chg. 31/12	% Chg. 31/12
Direct funding	21,442	20,106	20,364	1,336	6.6%	1,078	5.3%
Assets under management	1,162	1,155	1,156	7	0.6%	6	0.6%
Assets under custody	5,189	5,109	4,896	79	1.5%	292	6.0%
Indirect funding from customers	6,351	6,264	6,052	86	1.4%	299	4.9%
Total funding	27,792	26,370	26,416	1,423	5.4%	1,376	5.2%
Gross interest-bearing loans to customers	30,939	30,443	29,774	496	1.6%	1,165	3.9%



For profit and loss aggregates, as at 30 June 2025, Corporate Banking **Revenues** came to **EUR 585 mln** (+11.5% compared to the previous year). A breakdown of the aggregate shows:

- Net interest income amounted to EUR 368 mln, down EUR 81 mln year on year, mainly due to the lower contribution from funding (penalised by the decline in interest rates).
- Net Fee and Commission Income equal to EUR 208 mln at 30 December 2025, up EUR 7 mln compared to the same period of the previous year;
- Other Income from Banking and Insurance Business were equal to EUR 12 mln, up by EUR 1 mln compared to the levels recorded in the first half of 2024.

Considering the impact of Operating Expenses, down by 3.3% compared to the same period of the previous year, **Gross Operating Income** amounted to **EUR 391 mln** (EUR 460 mln as at 30 June 2024).

Net operating income stood at **EUR 246 mln** (EUR 378 mln as at 30 June 2024), against a Cost of credit of EUR -145 mln (compared to EUR -82 mln as at 30 June 2024).

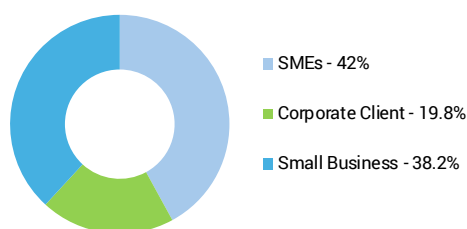
The non-operating components amounted to EUR -7 mln, compared to EUR +2 mln as at 30 June 2024.

The Profit (loss) before tax from continuing operations was equal to **EUR 238 mln** (EUR 380 mln as at 30 June 2024).

The Corporate Banking **cost-income** ratio stood at **33.3%** (30.4% as at 30 June 2024).

Corporate Banking - Economic Aggregates				
(mlns of euros)	30/06/25	30/06/24	Chg. Y/Y	
			Abs.	%
<i>Net interest income</i>	368.0	448.9	(80.9)	-18.0%
<i>Net fee and commission income</i>	208.2	201.1	7.1	3.5%
<i>Other income from financial and insurance management</i>	12.2	10.9	1.2	11.4%
<i>Other operating income and expenses</i>	(2.9)	0.5	(3.4)	n.m.
Total Revenues	585.4	661.4	(76.0)	-11.5%
<i>Operating expenses</i>	(194.7)	(201.3)	6.6	-3.3%
Gross Operating Result	390.7	460.1	(69.4)	-15.1%
Cost of customer credit/Value adjustments for impairment to securities and loans to banks	(145.2)	(82.4)	(62.8)	76.3%
Net operating income	245.5	377.7	(132.2)	-35.0%
Non-operating items	(7.4)	2.1	(9.5)	n.m.
Profit (loss) before tax from continuing operations	238.1	379.8	(141.7)	-37.3%

Distribution network - Breakdown of revenues



Large Corporate & Investment Banking

Large Corporate and Investment Banking includes the financial results of Large Corporate customers, the Corporate Finance and Investment Banking business units, and Global Markets.

Business areas	Customers
<ul style="list-style-type: none"> • Credit intermediation for specialised follow-up; provision of tailor-made products and services from a coverage team perspective; cross fertilisation of competencies between group resources and corporate financial products and services, including through strategic collaboration with institutional actors. • Corporate finance: mid- and long-term lending, corporate finance and structured finance. 	Approximately 1,200 Large Group customers of the Parent Company are directly supported by Large Corporate & Investment Banking.

Income statement and balance sheet results

Total Funding from Corporate Banking as at 30 December 2025 amounted to **EUR 12.7 bn**, up by EUR 0.7 bn compared to 31 March 2025, of which EUR +0.3 bn on Direct Funding and EUR +0.4 bn on Indirect Funding. The aggregate remained stable compared to the end of December 2024, as the increase in Indirect Funding (EUR +0.5 bn) was offset by the decrease in Direct Funding (EUR -0.4 bn).

As at 30 June 2025, **gross performing loans to customers** in the Large Corporate & Investment Banking segment totalled **EUR 4.6 bn**, an increase compared to both 31 March (EUR +0.3 bn) and 31 December 2024 (EUR +0.2 bn).

Large Corporate and Investment Banking							
(mlns of euros)	30/06/25	31/03/25	31/12/24	Abs. chg. Q/Q	% Chg. Q/Q	Abs. chg. 31/12	% Chg. 31/12
Direct funding	4,052	3,721	4,477	332	8.9%	-425	-9.5%
<i>Assets under management</i>	<i>37</i>	<i>38</i>	<i>38</i>	<i>(1)</i>	<i>-2.5%</i>	<i>(1)</i>	<i>-2.2%</i>
<i>Assets under custody</i>	<i>8,656</i>	<i>8,247</i>	<i>8,173</i>	<i>409</i>	<i>5.0%</i>	<i>483</i>	<i>5.9%</i>
Indirect funding from customers	8,693	8,284	8,210	408	4.9%	482	5.9%
Total funding	12,745	12,005	12,688	740	6.2%	57	0.5%
Gross interest-bearing loans to customers	4,622	4,372	4,465	250	5.7%	157	3.5%

In terms of income, Large Corporate & Investment Banking realised **Revenue** in the amount of **EUR 161 mln** as at 30 June 2025 (-12.8% compared to 30 June 2024). A breakdown of the aggregate shows:

- Net Interest Income amounted to EUR 66 mln, down by EUR 21 mln YoY, penalised by the drop in interest rates;
- Net fee and commission income amounted to EUR 38 mln, broadly in line with the first half of 2024;
- Other income from financial and insurance activities totalled EUR 57 mln, compared to EUR 60 mln in the same period of the previous year.

Considering the impact of Operating Expenses, up by 27.1% compared to 30 June 2024, **Gross Operating Income** amounted to **EUR 115 mln** (EUR 149 mln as at 30 June 2024).

Net operating income stood at **EUR 117 mln** (EUR 126 mln as at 30 June 2024), against a Cost of credit of EUR -2 mln (compared to EUR -23 mln as at 30 June 2024).

Non-operating components amounted to EUR -0.2 mln, compared to a figure that was essentially zero in the corresponding period of 2024.

The **Profit (loss) before tax from continuing operations** was equal to **EUR 117 mln** (EUR 126 mln as at 30 June 2024).

The Large Corporate Banking & Investment **cost-income** ratio stood at **28.5%** (19.6% as at 30 June 2024).

Large Corporate & Investment Banking - Economic Aggregates				
(mlns of euros)	30/06/25	30/06/24	Chg. Y/Y	
			Abs.	%
<i>Net interest income</i>	66.0	86.5	(20.5)	-23.7%
<i>Net fee and commission income</i>	38.2	38.0	0.2	0.6%
<i>Other income from financial and insurance management</i>	57.0	60.2	(3.2)	-5.4%
<i>Other operating income and expenses</i>	(0.1)	0.0	(0.1)	n.m.
Total Revenues	161.1	184.7	(23.6)	-12.8%
<i>Operating expenses</i>	(46.0)	(36.2)	(9.8)	27.1%
Gross Operating Result	115.1	148.6	(33.4)	-22.5%
Cost of customer credit/Value adjustments for impairment to securities and loans to banks	2.0	(22.7)	24.7	n.m.
Net operating income	117.2	125.9	(8.7)	-6.9%
Non-operating items	(0.2)	0.0	(0.2)	n.m.
Profit (loss) before tax from continuing operations	117.0	125.9	(8.9)	-7.1%

Corporate Centre

The Corporate Centre includes:

- the income statement and balance sheet results of non-performing customers managed centrally by the Non-Performing Loans Unit;
- operating units, such as proprietary finance, treasury and capital management;
- business service and support units, particularly with regard to the development and management of information systems;
- the offsetting of intragroup entries and the results of the companies consolidated under the equity method and those held for sale, in particular MP Banque.

With regard to non-performing customers centrally managed by the Non-Performing Loans Unit, gross 'live' loans to customers amounted to EUR 1.4 bn as at 30 June 2025; the contribution to the Corporate Centre's financial results was EUR 0,2 mln in Revenues, EUR -26 mln in Operating Expenses and EUR -19 mln in Credit Costs.

With regard to financial operations, securities sold in the first six months of 2025 amounted to a nominal value of EUR 2,090 mln, of which EUR 1,028 mln were classified at amortised cost and EUR 1,062 mln at fair value through comprehensive income.

Securities with a nominal value of EUR 120 mln matured during the period; these were classified under financial assets measured at fair value through comprehensive income. Offsetting this, securities were repurchased for a total nominal amount of approximately EUR 1,703 mln, of which EUR 945 mln were classified at amortised cost and the remainder at fair value through comprehensive income.

Prospects and outlook on operations

Despite a climate of heightened uncertainty due to US tariff measures and geopolitical tensions, the start of the year – characterised by stronger-than-expected economic growth and moderating interest rates – supports a slightly more dynamic recovery in lending in the coming months than previously anticipated. Even in a scenario of moderate GDP growth, corporate demand for financing, while still subdued, could benefit in the coming months from increased investment in machinery and equipment related to the NRRP. Loans to households are expected to grow more robustly, in line with recent cyclical data, supported by improved market conditions.

Credit risk is expected to remain contained for the year, in line with a macroeconomic outlook which, despite moderate economic growth, remains overall positive. As a result, the cost of risk is expected to remain broadly stable at historically low levels, with a slight increase due to the migration of loans to non-financial corporations into more critical stages.

Direct funding is expected to grow moderately in the coming months, supported by stable sight deposits and the increase in bank bond issuance. Conversely, time deposits are expected to decline due to the lower interest rate environment. Overall, household financial wealth is likely to continue shifting in favour of managed products, while the share of liquid assets in portfolios is expected to gradually shrink.

With the policy rate cut in the first half of the year and a narrowing of banking spreads amid modest intermediation volume dynamics, net interest income is expected to decline in 2025, although it will remain above pre-COVID levels. Fee and commission income is expected to increase, driven by revenues from the distribution of investment products, supported by positive inflows and growth in assets under management

On the cost side, the industry is expected to maintain a trend of modest but steady cost reduction, supported by cost-saving initiatives and the phase-out of systemic charges. That said, in a sector where digitalisation and artificial intelligence have become critical, IT expenditure is expected to continue rising to support transformation and the development of services better aligned with evolving customer needs and cybersecurity demands. The sector's ROE is forecast to remain high, albeit lower than in 2023 -24.

Against this backdrop, in 2025, the Group's revenue mix will benefit from the positive dynamics of commission income, which is expected to grow especially in the areas of asset management and protection, supported by the implementation of targeted commercial initiatives envisaged in the 2024-2028 Business Plan; the net interest income, in line with the dynamics of the system, will be affected by the market scenario and, in particular, by the fall in rates.

Operating expenses are expected to rise in 2025 mainly due to the renewal of the national collective bargaining agreement (CCNL) for the banking and financial sector.

Despite the continuing uncertainty in the economic cycle, no tensions are expected in the cost of credit.

The capital position is expected to remain at high levels.

It should be noted that the outlook for the MPS Group's operations presented above does not consider the impacts expected from the announced voluntary public exchange offer on Mediobanca's ordinary shares. For further information on the characteristics, objectives and benefits of the transaction, please refer to the dedicated section on the Parent Company's website and to the paragraph "Significant events in the first half of 2025" of the Interim Report on Operations.

Related-party transactions

In accordance with the provisions of Consob Resolution No. 17221 of 12 March 2010, as amended and supplemented (hereinafter also referred to as the 'Consob Regulation' or 'Consob Regulation No. 17221/2010'), Article 53 of the Consolidated Banking Law and its implementing provisions (Bank of Italy Circular No. 285/2013, Part Three, Chapter 11 'Risk activities and conflicts of interest with related parties'), the 'Committee for Related Party Transactions' was established, composed of between three and five independent directors, which performs the functions provided for in the Articles of Association and in the applicable laws and regulations governing transactions with related parties and related entities.

The "Group Directive concerning Management of regulatory obligations on related parties, associated parties and obligations of bank representatives" (hereinafter the "Group Directive"), accompanied by the "Group Regulation concerning Management of regulatory obligations on related parties, associated parties and obligations of bank representatives" (hereinafter the "Group Regulations"), approved by the Parent Company's Board of Directors, with the prior favourable opinions of the Committee for Related Party Transactions and the Board of Statutory Auditors, contains provisions and internal procedures on related parties, aligned with the provisions of the Consob Regulation in force. The Group Directive was most recently updated on 1 July 2025 to adapt to the current organisational structure of Banca MPS.

The Group Directive defines the organisational model adopted by the MPS Group (principles and responsibilities) for the management process of the provisions applicable to related parties, associated parties and obligations of the bank representatives, and in particular, governs, at the MPS Group level, the principles and rules for the control of risks arising from situations of possible conflicts of interest with some subjects close to the decision making centres of the Parent Company.

Within the Group Directive, the following is also defined:

- the formulation of the responsibilities assigned within the MPS Group (tasks and responsibilities of the top management bodies and corporate functions of the Parent Company and Subsidiaries);
- the scope of related parties, associated persons (hereinafter also referred to as the "Group Perimeter"), and other parties potentially in conflict of interest;
- the criteria for the identification of transactions, level of relevance of the transactions;
- the decision-making procedures and exemption cases;
- the internal policies in the area of control.

For the purpose of the Group Directive, significance is attributed to the transactions carried out with the subjects operating within the Group perimeter which involve the performance of risk activities, the transfer of resources, services and obligations, regardless of the requirement of a consideration. With regard to the type of transactions, these are classified in detail in the aforementioned Group Regulations, as:

- **"most significant transactions"**: transactions where at least one of the following relevance indicators, applicable according to the specific transaction, exceeds the 5% threshold (greater relevance threshold):
 - *countervalue relevance index*: the ratio of the countervalue of the transaction to the total of the own funds resulting from the most recent published consolidated balance sheet;
 - *relevance index of the assets*: the ratio of the total assets of the entity to which the transaction refers, to the total assets of BMPS;
 - *relevance index of the liabilities*: the ratio of the total liabilities of the acquired entity to the total assets of BMPS;
- **"transaction of lesser relevance"**: transactions above the small amount and up to the large amount threshold; in the context of transactions of lesser significance, transactions in which the amount exceeds EUR 100.0 mln and up to the threshold of **greater significance** (countervalue relevance index) are considered to be of lesser significance as a "significant amount", or, in the case of acquisitions, mergers and demergers for an amount equal to or less than EUR 100.0 mln, the relevance index of the assets and/or liabilities is equal to or greater than the ratio of EUR 100.0 mln and own funds at a consolidated level;
- **"transactions of a negligible amount"**: transactions of EUR 250.0 thousand or less where the counterparty is a legal person; transactions of EUR 100,000 or less, where the counterparty is a natural person.

The provisions and procedures applicable to transactions with related parties, in the versions in force at the time, are published on the website www.gruppomp.it in the section "Corporate Governance - Transactions with related parties".

The Parent Company's Board of Directors formally resolved, as early as financial year 2016, to include the Ministry of Economy and Finance (hereinafter "MEF") and its directly and indirectly controlled companies within the scope of related parties on a discretionary basis, in accordance with the provisions of the Group Directive, while excluding them from the prudential regulatory framework. Following the completion of the Parent Company's precautionary recapitalisation and the resulting acquisition by the MEF of the status of controlling shareholder as from August 2017, the Parent Company received a communication from the Supervisory Authority on 18 December 2017 concerning the procedures for the subsequent application of the limits on risk exposures set out in the prudential regulations, pursuant to Article 53 of the TUB and its implementing provisions (Bank of Italy Circular no. 263/06, Title V, Chapter 5), by applying the so-called "silo" approach to the calculation of the relevant limits.

As of 27 December 2024, the MEF acquired the status of shareholder with significant influence as a result of changes in the shareholding structure and composition of the Board of Directors of the Parent Company that took place in November and December 2024, respectively. The related-party disclosure as at 30 June 2025 reflects the updated perimeter following the new classification of the MEF and therefore includes companies directly or indirectly controlled by the MEF and those under joint control; it does not include associated companies directly or indirectly held by the MEF that were indirectly or directly held and that had been included in the perimeter as at 31 December 2024, based on the control relationship in place for most of financial year 2024.

With reference to the MEF scope, the Parent Company has availed itself of the exemption provided by paragraph 25 of IAS 24 on the disclosure of transactions and balances of existing transactions with government-related entities. The main transactions carried out with the MEF and with its subsidiaries, in addition to financing transactions, include Italian government securities recorded in the portfolios "Financial assets measured at fair value through other comprehensive income" for a nominal amount of EUR 867.0 mln, "Financial assets measured at fair value through profit or loss" for a nominal amount of EUR 2,638.2 mln and "Financial assets measured at amortised cost" for a nominal amount of EUR 7,834.2 mln.

Information is provided below regarding the most significant transactions, in terms of amount, carried out by the Parent Company with related parties in the first half of 2025.

MEF related-party transactions

(i) Transactions with SACE S.p.A.

On 11 February 2025, the Credit Committee authorised, on behalf of customers of the Parent Company that are not related parties, the participation of the Parent Company, up to a maximum of USD 140.0 mln, as a share of participation in a *pool* transaction of a total of USD 1.7 bn, usable as *Buyer's Credit* and aimed at the partial financing of two cruise ships commissioned to FINCANTIERI S.p.A., with CDP S.p.A. as co-lender, assisted, *inter alia*, by a SACE S.p.A. insurance policy covering 100% of the financing and with the intervention of SIMEST S.p.A. for the purposes of any stabilisation of the interest rate. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 due to the role of: (i) CDP S.p.A., a subsidiary of the MEF, as co-lender; (ii) SACE S.p.A., a wholly-owned subsidiary of the MEF, as guarantor in the insurance policy issuance; (iii) SIMEST S.p.A., a direct subsidiary of CDP S.p.A., which is in turn controlled by the MEF, as a participant for the purposes of any interest rate stabilisation, and (iv) FINCANTIERI S.p.A., a subsidiary of CDP Equity S.p.A., which is controlled by CDP S.p.A., in turn controlled by the MEF.

Also on 11 February 2025, the Credit Committee resolved to grant, *inter alia*, a loan to customers of the Parent Company that are not related parties, up to a maximum of EUR 50.0 mln, as the Parent Company's share of a syndicated loan for a total of EUR 355.0 mln, in which CDP S.p.A. also participates and supported by a SACE guarantee with coverage of up to 70%, equal to EUR 20.3 mln for the Parent Company's share. The transaction falls within the scope of application of Consob Regulation No. 17221/2010, both because the MEF is the majority shareholder of CDP S.p.A. (a participant in the syndicated loan), and because SACE S.p.A. (the guarantor) is a wholly-owned subsidiary of the MEF.

On 27 March 2025, the Board of Directors, with the favourable opinion of the Related Party Transactions Committee, resolved to approve a major transaction relating to the approval of a framework resolution amounting to EUR 1.0 bn for the Parent Company's operations with SACE S.p.A. ('DQSACEFUTURO2025'), aimed at obtaining financial guarantees issued by SACE under the SACE Futuro 2025 Agreement (referred to by SACE as the 'Growth Standard Guarantee Agreement'). This agreement has unified the operations envisaged by the "SACE Green New Deal 2024" and "Garanzia Futuro 2024" agreements, which ended their accumulation period on 31 March 2025. The SACE Futuro 2025 Guarantee covers 70% of the financed amount as the maximum cumulative amount of the Futuro 2025 Guarantees issued by SACE,

against the total amount of financing in the period of validity. The loans guaranteed by the SACE Futuro 2025 Agreement are aimed at supporting the development of companies on global markets and of “made in Italy” in technological innovation and digitalisation processes, supporting investments in infrastructure, strategic supply chains and economically disadvantaged areas, in investment projects for the development of female entrepreneurship, with a particular focus on initiatives linked to the NRRP. The DQSACEFUTURO2025 is valid for a period of 12 months from the date of subscription by the parties of the special terms and conditions applicable to the loans. It applies only to Banca MPS, not at Group level. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as SACE S.p.A. is a company wholly owned by the MEF and on 3 April 2025 the Information Document was published, drawn up pursuant to art. 5 of Consob Regulation no. 17221/2010, to which reference is made for further details.

In February and March 2025, SACE S.p.A. granted SACE Futuro guarantees at 70% in favour of customers of the Parent Company not related parties, securing medium/long-term credit lines for the respective maximum amounts guaranteed by SACE S.p.A., of EUR 35.0 mln (with a guarantee of EUR 24.5 mln), EUR 30.0 mln (with a guarantee of EUR 21.0 mln) and EUR 30.0 mln (with a guarantee of EUR 21.0 mln) respectively. The transactions fall within the scope of application of Consob Regulation no. 17221/2010, since SACE S.p.A. is a wholly-owned subsidiary of the MEF.

During the first quarter of 2025, two insurance policies were finalised with SACE S.p.A. with coverage equal to 60% and 50% of the risk of non-payment, relating to documentary credit confirmation transactions in euros and US dollars, respectively, concluded by the Parent Company’s customers with foreign banks, for a value of approximately EUR 10.2 mln and USD 11.3 mln, respectively. The transactions finalised with SACE S.p.A. fall within the scope of application of Consob Regulation no. 17221/2010, since SACE S.p.A. is a wholly-owned subsidiary of the MEF.

On 13 June 2025, a 60% SACE Guarantee transaction was finalised with SACE S.p.A., for the benefit of the Parent Company’s customers not classified as related parties, securing a credit facility of EUR 36.7 mln as part of a syndicated loan guaranteed by SACE S.p.A., with a guarantee amount of EUR 22.0 mln. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as SACE S.p.A. is a wholly owned subsidiary of the MEF.

On 17 June 2025, the Credit Committee approved, for the benefit of customers of the Parent Company not classified as related parties, the subscription to a syndicated loan of up to EUR 50.0 mln, representing the Parent Company’s share in syndicated credit lines totalling EUR 150.0 mln, in which CDP S.p.A. also participates with a EUR 20 mln share. The loan is backed by a SACE guarantee covering 70% of the Parent Company’s share, amounting to EUR 35.0 mln. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as the MEF is the majority shareholder of CDP S.p.A. (participant in the syndicated loan) and SACE S.p.A. (the guarantor) is a wholly-owned subsidiary of the MEF.

On 24 June 2025, the Credit Committee approved, for the benefit of customers of the Parent Company not classified as related parties, participation in a syndicated loan of up to EUR 25.0 mln, representing the Parent Company’s share in syndicated credit lines totalling EUR 270.0 mln, in which CDP S.p.A. also participates with a EUR 28 mln share. The loan is backed by a SACE guarantee covering at least 50% of the Parent Company’s share. The transactions fall within the scope of application of Consob Regulation No. 17221/2010, both because the MEF is the majority shareholder of CDP S.p.A. (a participant in the syndicated loan), and because SACE S.p.A. (the guarantor) is a wholly-owned subsidiary of the MEF.

In June 2025, several medium-to-long-term financing transactions were completed for the benefit of the Bank’s customers, secured by a 70% SACE Guarantee under the “*Convenzione Garanzia Growth Standard*” agreement, as part of the initiatives under the DQSACEFUTURO2025 programme described above, consisting of: two transactions of EUR 15.0 mln each (with a SACE guarantee of EUR 10.5 mln), and other transactions of: EUR 20.0 mln (with a SACE guarantee of EUR 14.0 mln), EUR 21.0 mln (with a SACE guarantee of EUR 14.7 mln), and EUR 25.0 mln (with a SACE guarantee of EUR 17.5 mln). The transactions fall within the scope of application of Consob Regulation no. 17221/2010, since SACE S.p.A. is a wholly-owned subsidiary of the MEF.

During the second quarter of 2025, two insurance policies were finalised with SACE S.p.A., covering 50% of the non-payment risk, in relation to documentary credit confirmation transactions in US dollars concluded by the Parent Company’s customers with foreign banks, for amounts of approximately USD 20.5 mln and USD 13.9 mln, respectively. The transactions fall within the scope of application of Consob Regulation no. 17221/2010, since SACE S.p.A. is a wholly-owned subsidiary of the MEF.

(ii) Transactions with other MEF related parties

On 6 January 2025, the framework agreement was signed for the management of the medical expense reimbursement program for the year 2025 for the benefit of the Parent Company’s staff in service and the staff registered with the Parent Company’s Solidarity Fund, through an insurance policy with POSTE ASSICURA S.p.A., through CASPIE (Healthcare Fund

registered in the Health Funds Registry), for a maximum total value of EUR 31.6 mln. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as POSTE ASSICURA S.p.A. is controlled by Poste Italiane S.p.A., which in turn is controlled by the MEF.

On 5 February 2025, the Board of Directors resolved in favour of SAIPEM S.p.A., as part of the ordinary review of credit lines: (i) the increase from EUR 135.0 mln to EUR 175.0 mln of the existing mixed revolving credit line, usable up to the entire amount for the issue of Italian/foreign unsecured loans and for the release of documentary credit commitments; (ii) confirmation of the syndicated unsecured credit line with other credit institutions of EUR 650.0 thousand; (iii) the confirmation of the risk limit credit line without recourse of EUR 2.5 mln; (iv) the participation of the Parent Company, with a maximum share of EUR 75.0 mln, in the syndicated revolving credit facility 2025 of a total of EUR 600.0 mln. Subsequently, on 4 March 2025, the Credit Committee authorised: (i) the increase from EUR 175.0 to 204.0 mln of the aforementioned revocable mixed credit line in place; (ii) the reduction from EUR 75.0 to 46.0 mln of the Parent Company's share in the aforementioned revolving credit facility 2025 for a total of EUR 600.0 mln. The transactions fall within the scope of application of Consob Regulation no. 17221/2010 as SAIPEM S.p.A. is indirectly controlled by the MEF, through the companies ENI S.p.A. and CDP Equity S.p.A., which in turn are controlled by the MEF.

On 11 February 2025, the Credit Committee authorised the Parent Company, in favour of ENEL S.p.A. to join in a syndicated multi-borrower sustainability linked revolving credit facility, for a total amount between EUR 10.0 and 13.5 mln, with a duration of 5 years. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as ENEL S.p.A. is a subsidiary of the MEF.

On 25 February 2025, the Credit Committee authorised the ordinary review of the credit facilities in favour of FERROVIE DELLO STATO S.p.A. for a total of EUR 170.0 mln, with confirmation of the following credit lines: (i) a revocable mixed credit line of EUR 20.0 mln; (ii) a *risk limit credit line without recourse* of EUR 125.0 mln, applicable to third-party assignors, backed by insurance coverage equal to 95%, and (iii) a *notional limit credit line with recourse* of EUR 25.0 mln, payable to assignors subject to positive assessment and resolution. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since FERROVIE DELLO STATO S.p.A. is a wholly-owned subsidiary of the MEF.

Also on 25 February 2025, the Credit Committee authorised the ordinary review of credit lines in favour of ANAS S.p.A. for a total amount of EUR 205.0 mln; the transaction involves the confirmation of the following existing credit lines: (i) EUR 120.0 mln usable through the opening of a current account credit; (ii) EUR 20.0 mln of unsecured credit facilities, used for the issuing of a foreign guarantee; (iii) EUR 40.0 mln of a risk limit credit line without recourse, usable against third-party assignors and suppliers, and (iv) EUR 25.0 mln of notional risk limit credit line with recourse. These transactions fall within the scope of application of Consob Regulation no. 17221/2010, since ANAS S.p.A. is a wholly-owned subsidiary of Ferrovie dello Stato S.p.A., in turn controlled by the MEF.

Also on 25 February 2025 the Credit Committee authorised the granting of a loan of up to EUR 30.0 mln to customers of the Parent Company who are not related parties, as the Parent Company's share of a syndicated loan totalling EUR 135.0 mln, in which CDP S.p.A. and Mediocredito Centrale S.p.A. also participate. The granting of the syndicated loan is subject to the granting of a 50% SACE guarantee. The transaction falls within the scope of application of Consob Regulation No. 17221/2010, both because the MEF is the majority shareholder of CDP S.p.A. and the indirect parent company of Mediocredito Centrale S.p.A. (a participant in the syndicated loan), and because SACE S.p.A. (the guarantor) is a wholly-owned subsidiary of the MEF.

On 4 March 2025, the Credit Committee authorised the granting of two mortgage loans for a total of up to EUR 30.0 mln to two companies belonging to the Parent Company's customer group that are not related parties, as shares of the Parent Company in two syndicated loans for a total of EUR 143.4 mln, in which AMCO ASSET MANAGEMENT COMPANY S.p.A. also participates. The transaction falls within the scope of application of Consob Regulation No. 17221/2010 as AMCO ASSET MANAGEMENT COMPANY S.p.A. is a subsidiary of the MEF.

On 11 March 2025, the Credit Committee authorised the participation of the Parent Company, with a maximum share of EUR 125.0 mln, in a debt package of a total of EUR 675.0 mln, in favour of BIDCO SPARKLE S.p.A. (a company to be established), structured along the following lines: (i) a term loan facility for a total of EUR 450.0 mln, with the Parent Company's share amounting to EUR 83.3 mln; (ii) a capex facility totalling EUR 200.0 mln, of which the Parent Company's share amounts to EUR 37.0 mln; (iii) revolving credit facility for a total of EUR 25.0 mln, with the Parent Company's share amounting to EUR 4.6 mln. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as BIDCO SPARKLE S.p.A. (a company to be incorporated) will be controlled with a share equal to 70% by the MEF.

On 18 March 2025, the Credit Committee authorised in favour of POSTE ITALIANE S.p.A., within the ordinary review of the credit facilities totalling EUR 120.0 mln: (i) confirmation of the mixed credit line for a total of EUR 20.0 mln that can be used for forward drawings and the issuing of guarantees in Italy; (ii) a new risk limit credit line without recourse of EUR 30.0 mln applicable to the assignors subject to positive evaluation and resolution, backed by an insurance policy

with coverage equal to 95% of the risk limit ceiling; (iii) a ceiling of EUR 70.0 mln for financial operations, as an internal operating limit. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since the POSTE ITALIANE S.p.A is controlled by the MEF.

On 27 March 2025, the Board of Directors authorised in favour of AUTOSTRADE PER L'ITALIA S.p.A., as a part of the ordinary review of the credit lines, the confirmation *inter alia*, of the following credit facilities: (i) a mixed credit line of EUR 20.0 mln that can be used as a current account credit facility; (ii) a notional limit credit line with recourse of EUR 20.0 mln, applicable to assignors subject to positive evaluation and resolution; (iii) a risk limit credit line without recourse of EUR 20.0 mln, applicable to assignors subject to positive evaluation and resolution, backed by full insurance coverage. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as AUTOSTRADE PER L'ITALIA S.p.A. is indirectly controlled by CDP Equity S.p.A., which in turn is controlled by CDP S.p.A., the latter in turn controlled by the MEF.

On 24 April 2025, the ordinary review at par of good-till-cancelled credit facilities in favour of SO.G.I.N. S.p.A. for a total of EUR 19.9 mln was authorised with confirmation of the two mixed credit lines in place, for EUR 18.9 mln (which can be used for the issue of unsecured loans) and EUR 1.0 mln (which can be used for forex hedging). The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since SO.G.I.N. S.p.A. is a wholly-owned subsidiary of the MEF.

On 29 April 2025, the Credit Committee authorised, for the benefit of TERNA S.p.A., in the context of the ordinary review of credit lines, an increase in the risk limit credit lines without recourse from EUR 14.8 mln to EUR 30.0 mln, applicable to third-party assignors; the *risk limit ceiling* is backed by an insurance policy providing coverage and may be used jointly by TERNA S.p.A. and other entities included in its full consolidation scope on a line by line basis. The transaction falls within the scope of application of Consob Regulation No. 17221/2010 as TERNA S.p.A. is indirectly controlled by CDP S.p.A., which is in turn controlled by the MEF.

On 4 June 2025, a participation was authorised, for the benefit of the Parent Company's customers not classified as related parties, in a medium-to-long-term loan of EUR 32.1 mln, representing the share of the Parent Company in a syndicated credit lines totalling EUR 96.5 mln, in which CDP S.p.A. also participates with a EUR 32.1 mln share. The transaction falls within the scope of the application of Consob Regulation no. 17221/2010, as the MEF is the majority shareholder of CDP S.p.A. (participant in the syndicated loan).

On 18 June 2025, as part of the placement of Covered Bonds, with a 5-year maturity, finalised by the Parent Company for a total of EUR 750.0 mln, CDP S.p.A. - pursuant to Art. 5, paragraph 8-ter of Italian Law Decree no. 269/2003, converted into Law no. 326/2003 in compliance with art. 6, paragraph 1.b) of Italian Law Decree no. 102/2013 - subscribed this issue for a total of EUR 180.0 mln. The residual amount was placed with other institutional investors. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as CDP S.p.A. is a subsidiary of the MEF.

(iii) Transactions with other related parties

On 8 May 2025, the Board of Directors, having obtained the favourable opinion of the Related Party Transactions Committee, approved, in favour of IMMOBILIARE NOVOLI S.p.A. and its subsidiary SANDONATO S.r.l., both part of the GRUPPO NOVOLI, the Parent Company's adherence to a Restructuring Agreement ("**Agreement**") pursuant to Article 56 of the Italian Corporate Crisis and Insolvency Code ("**CCII**"), proposed by GRUPPO NOVOLI as part of the implementation of the 2025-2028 industrial plan ("**Plan**") following a negotiated crisis settlement procedure pursuant to Article 12 et seq. of the CCII. The Parent Company's financial contribution to the Agreement includes the waiver of a portion of its receivables, totalling EUR 10.0 mln, with a provision for the distribution of *earn-outs* at the end of the Plan period, to fully recover the waived amount. The Parent Company's total exposure subject to the restructuring plan amounts to EUR 80.9 mln. The transaction falls within the scope of application of Consob Regulation No. 17221/2010, as IMMOBILIARE NOVOLI S.p.A. is a jointly controlled entity of the Parent Company, which holds a 50% stake in its share capital, and SANDONATO S.r.l. is wholly owned by the abovesaid IMMOBILIARE NOVOLI S.p.A.

The following tables provide a summary of the balance sheet and income statement figures as at 30 June 2025 for joint ventures, associates, key management personnel and other related parties.

Compared to the information included in the Financial Report as of 31 December 2024, the following is highlighted:

- The "MEF Perimeter" refers to the qualification of shareholder with significant influence on the Bank assumed by the MEF on 27 December 2024 and therefore does not include the relationships and economic effects of transactions with direct and indirect associated companies of the MEF considered in the perimeter as of 31 December 2024 given the existence of the control relationship for almost the entire 2024 financial year;

- “Other related parties” include key managers, including the Directors co-opted by the Board of Directors on 27 December 2024 and confirmed by the Shareholders’ Meeting on 17 April 2025, and their related parties; in particular, the balance sheet and income statement balances in force at 30 June 2025 of the related parties of the new Directors are summarised below, which were not included in the information at 31 December 2024.

Related-party transactions: balance sheet items

	Values at 30 06 2025						
	joint ventures	associated companies	key management personnel	other related parties	MEF Perimeter	Total	% on FS item
Financial assets held for trading	-	3.8	-	-	4,585.5	4,589.3	55.55%
Other financial assets mandatorily measured at fair value	-	-	-	-	16.0	16.0	3.67%
Financial assets measured at fair value through other comprehensive income	-	-	-	-	875.8	875.8	44.51%
Loans to banks at amortised cost	-	-	-	-	7.8	7.8	0.25%
Loans to customers at amortised cost	47.3	63.5	2.6	111.2	9,437.2	9,661.8	10.74%
Other assets	-	-	-	-	1,323.1	1,323.1	38.33%
Total assets	47.3	67.3	2.6	111.2	16,245.4	16,473.8	
Financial liabilities measured at amortised cost	5.2	79.7	4.0	34.9	2,666.6	2,790.4	2.69%
Financial liabilities held for trading	-	1.0	-	-	116.7	117.7	3.52%
Other liabilities	-	3.7	-	0.1	4.0	7.8	0.17%
Total liabilities	5.2	84.4	4.0	35.0	2,787.3	2,915.9	
Guarantees and commitments	12.1	26.1	0.2	15.3	1,844.0	1,897.7	n.a

Related-party transactions: income statement items

	Values at 30 06 2025						
	joint ventures	associated companies	key management personnel	other related parties	MEF Perimeter	Total	% on FS item
Interest income and similar revenues	0.1	1.1	-	2.0	221.9	225.1	11.42%
Interest expense and similar charges	-	(0.1)	-	(0.2)	(25.6)	(25.9)	2.92%
Fee and commission income	-	107.5	-	-	12.0	119.5	13.00%
Fee and commission expense	-	(0.2)	-	-	(0.7)	(0.9)	0.75%
Dividends	-	-	-	-	0.5	0.5	3.77%
Net profit (loss) from other assets and liabilities measured at fair value through profit or loss	-	-	-	-	0.5	0.5	-4.88%
Net impairment losses/reversals	7.9	-	-	0.2	1.7	9.8	-6.43%
Operating costs	-	(1.6)	(5.6)	-	(8.6)	(15.8)	1.58%

Certification of the condensed consolidated half-yearly financial statements pursuant to Article 81-ter of Consob Regulation no. 11971 of 14 May 1999, as subsequently amended and supplemented

1. The undersigned, Luigi Lovaglio, as Chief Executive Officer, and Andrea Francesco Maffezzoni, as Financial Reporting Officer of Banca Monte dei Paschi di Siena S.p.A., also having regard to art. 154-bis, paragraphs 3 and 4 of Italian Legislative Decree no. 58 of 24 February 1998, do hereby certify the:
 - appropriateness with respect to the company's profile, and
 - factual application of administrative and accounting procedures for preparation of the condensed consolidated half-yearly financial statements, in the first half of 2025.
2. The verification of the adequacy and effective application of administrative and accounting procedures for the preparation of the condensed consolidated half-yearly financial statements as at 30 June 2025 was based on methods defined by the MPS Group in line with the COSO models and, for the IT component, COBIT, which constitute the reference framework for the internal control system generally accepted internationally.
3. It is also certified that:
 - 3.1 the Condensed Consolidated Half-Yearly Financial Statements as at 30 June 2025:
 - were prepared in accordance with the international accounting standards recognised by the European Union pursuant to European Parliament and Council Regulation No. 1606/2002 of 19 July 2002;
 - are consistent with the underlying documentary evidence and accounting records;
 - are suitable to provide a true and fair representation of the capital, economic and financial situation of the issuer and group of companies included within the scope of consolidation.
 - 3.2 the interim report on operations includes a reliable analysis of the significant events in the first six months of the financial year and their impact on the condensed consolidated half-yearly financial statements, as well as a description of major risks and uncertainties for the remaining six months of the year. The half-yearly report on operations includes a reliable analysis of information regarding related-party transactions of major relevance.

Siena, 05/08/2025

Signed by

On behalf of the Board of Directors

The Chief Executive Officer

Luigi Lovaglio

Signed by

The Financial Reporting

Officer

Andrea Francesco Maffezzoni

Independent Auditors' Report



REVIEW REPORT ON CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the shareholders of
Banca Monte dei Paschi di Siena SpA

Foreword

We have reviewed the accompanying condensed consolidated interim financial statements of Banca Monte dei Paschi di Siena SpA and its subsidiaries (“Monte dei Paschi di Siena Group”) as of 30 June 2025, comprising the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated cash flow statement and related notes. The directors of the Monte dei Paschi di Siena Group are responsible for the preparation of the condensed consolidated interim financial statements in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our work in accordance with the criteria for a review recommended by Consob in Resolution No. 10867 of 31 July 1997. A review of condensed consolidated interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than a full-scope audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed consolidated interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial statements of the Monte dei Paschi di Siena Group as of 30 June 2025 are not prepared, in all material respects, in accordance with the International Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Florence, 6 August 2025

PricewaterhouseCoopers SpA

Signed by

Marco Palumbo
(Partner)

This review report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

PricewaterhouseCoopers SpA

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Annexes

Reconciliation between the reclassified income statement and balance sheet and the related statutory accounts

Reconciliation between the reclassified income statement as at 30 June 2025 and related statutory accounts

Items of the Income Statement		30/06/25	Reclassification of dividends on treasury stock transactions	Reclassification of the share of profit from equity investments	Recovery of stamp duties and expense recoveries on customers	Cost of extraordinary operations	DTA fee	Restructuring costs (Personnel expenses for early retirement)	Restructuring costs (Closure of branches)	Charges related to Commitment and Business Plan	Personal recoveries	Cost of credit	Non-current assets held for sale and disposal groups, IIP, Banque	30/06/25	Items of the Reclassified income statement
10	Interest income and similar revenues <i>of which interest income calculated with the effective interest rate method</i>	1,971.1 1,655.0	-	-	-	-	-	-	-	-	-	-	12.2 14.1	1,094.1 1,985.3	Net interest income
20	Interest expense and similar charges	(889.3)	-	-	-	-	-	-	-	-	-	-	(1.9)	(891.2)	
40	Fee and commission income	919.0	-	-	-	-	-	-	-	-	-	-	4.1	802.5	Net fee and commission income
50	Fee and commission expense	(120.6)	-	-	-	-	-	-	-	-	-	-	(0.1)	(120.7)	
70	Dividends	12.9	(4.0)	32.7	-	-	-	-	-	-	-	-	-	41.6	Dividends, similar income and gains (losses) on investments
80	Net profit (loss) from trading	66.2	4.0	-	-	-	-	-	-	-	-	15.1	0.1	113.1	Net profit (loss) from trading, the fair value measurement of assets/liabilities and gains on disposals/repurchases
100	Gains (losses) on disposal / repurchase of:	37.8	-	-	-	-	-	-	-	-	-	-	-	37.8	
	a) financial assets measured at amortised cost	43.2	-	-	-	-	-	-	-	-	-	-	-	43.2	
	b) financial assets measured at fair value through other comprehensive income	(5.2)	-	-	-	-	-	-	-	-	-	-	-	(5.2)	
	c) financial liabilities	(0.2)	-	-	-	-	-	-	-	-	-	-	-	(0.2)	
110	Net profit (loss) from other financial assets and liabilities measured at fair value through profit and loss	(10.0)	-	-	-	-	-	-	-	-	-	15.1	-	5.0	
	a) financial assets and liabilities measured at fair value	0.8	-	-	-	-	-	-	-	-	-	-	-	0.8	
	b) other Financial assets mandatorily measured at fair value	(10.8)	-	-	-	-	-	-	-	-	-	15.1	-	4.2	
90	Net profit (loss) from hedging	(0.5)	-	-	-	-	-	-	-	-	-	-	-	(0.5)	Net profit (loss) from hedging
230	Other management charges/income	122.9	-	-	(117.2)	-	-	-	-	-	(2.5)	-	(0.0)	3.2	Other operating income (expenses)
190	Administrative expenses:	(1,017.8)	-	-	117.2	6.9	28.7	8.9	0.0	1.7	2.5	-	(12.0)	(863.8)	Administrative expenses:
	a) personnel expenses	(646.8)	-	-	-	-	-	8.9	-	-	-	-	(4.8)	(640.4)	a) personnel expenses
	b) other administrative expenses	(371.0)	-	-	117.2	6.9	28.7	-	0.0	1.7	0.2	-	(7.2)	(223.4)	b) other administrative expenses
210	Net Value Adjustments/recoveries on property, plant and equipment	(45.7)	-	-	-	-	-	-	0.5	-	-	-	(1.1)	(79.2)	Net value adjustments to property, plant and equipment and intangible assets
220	Net Value Adjustments/recoveries on Intangible Assets	(32.9)	-	-	-	-	-	-	0.5	-	-	-	(1.0)	(46.2)	
130	Net impairment (losses)/reversals for credit risk of:	(150.9)	-	-	-	-	-	-	-	-	-	(19.9)	0.3	(175.1)	Cost of customer credit
	a) financial assets measured at amortised cost	(150.2)	-	-	-	-	-	-	-	-	-	(0.9)	0.2	(150.9)	130a) financial assets measured at amortised cost
	b) financial assets measured at fair value through other comprehensive income	(0.7)	-	-	-	-	-	-	-	-	-	0.7	-	0.0	100a) loans valued at customer amortized cost
			-	-	-	-	-	-	-	-	-	(15.1)	-	(15.1)	110b) loans and securities
			-	-	-	-	-	-	-	-	-	(4.6)	0.1	(4.5)	200a) net provisions relative to commitments and guarantees given
140	Modification gains/(losses)	(4.6)	-	-	-	-	-	-	-	-	-	-	-	(4.6)	140 Modification gains/(losses)
			-	-	-	-	-	-	-	-	-	0.2	-	0.2	Net impairment (losses)/reversals on securities and loans to banks
160	Net premiums	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
170	Other net insurance income/expense	-	-	-	-	-	-	-	-	-	-	-	-	0.0	
200	Net provisions for risks and charges	(30.4)	-	-	-	-	-	-	-	-	-	4.6	(0.0)	(25.8)	Other net provisions for risks and charges
	a) commitments and guarantees given	(4.6)	-	-	-	-	-	-	-	-	-	4.6	-	0.0	
	b) other net provisions	(25.8)	-	-	-	-	-	-	-	-	-	-	(0.0)	(25.8)	
250	Gains (losses) on investments	32.7	(32.7)	-	-	-	-	-	-	-	-	-	-	0.0	Other gains (losses) on equity investments
			-	-	-	(6.9)	-	(8.9)	(0.5)	(5.7)	-	-	-	(15.1)	Restructuring costs/One-off costs
			-	-	-	-	-	-	-	-	-	-	-	(6.9)	Extraordinary transaction expenses
			-	-	-	-	-	-	-	-	-	-	-	0.0	Risks and charges associated to SRF, DGS and Similar Schemes
			-	-	-	(28.7)	-	-	-	-	-	-	-	(28.7)	DTA fee
260	Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(2.7)	-	-	-	-	-	-	-	-	-	-	-	(2.7)	Net gains (losses) on property, plant and equipment and intangible assets measured at fair value
280	Gains (losses) on disposals of investments	-	-	-	-	-	-	-	-	-	-	-	-	0.0	Gains (losses) on disposals of investments
290	Profit (loss) before tax from continuing operations	857.2	-	-	-	-	-	-	-	(4.0)	-	-	3.7	856.8	Profit (loss) for the period before tax
300	Tax expense (recovery) on income from continuing operations	35.2	-	-	-	-	-	-	-	-	-	0.2	-	35.5	Income tax for the period
310	Profit (loss) after tax from continuing operations	892.4	-	-	-	-	-	-	-	(4.0)	-	-	3.9	892.3	Profit (loss) after tax
320	Profit (loss) after tax from assets held for sale and discontinued operations	(0.1)	-	-	-	-	-	-	-	-	-	-	(3.9)	0.0	
330	Profit (loss) for the period	892.3	-	-	-	-	-	-	-	-	-	-	-	892.3	Profit (loss) for the period
340	Profit (loss) for the period attributable to non-controlling interests	(0.1)	-	-	-	-	-	-	-	-	-	-	-	(0.1)	Profit (loss) for the period attributable to non-controlling interests
	Parent Company's net profit (loss) for the period	892.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	892.4	Parent Company's net profit (loss) for the period

Reconciliation between the reclassified income statement as at 30 June 2024 and related statutory accounts

Item	Income Statement accounts	30/06/24	Customer repurchases	Reclassification of dividends on treasury stock transactions	Reclassification of the portion of profits from equity investments	Reclassification provision to BRRD and DGSDD funds	Recovery of stamp duty and customers' expenses	DTA Fee	Restructuring costs (Personnel expenses for early retirement)	Restructuring costs (Closure of Branches)	Charges related to Commitment and Business Plan	Cost of credit	Non-current assets held for sale and disposal groups: MP Banque	30/06/24	Reclassified Income Statement accounts
10	Interest income and similar revenues <i>of which interest income calculated applying the effective interest rate method</i>	2,427.2 1,989.9	-	-	-	-	-	-	-	-	-	-	18.2 20.1	1,172.2 2,447.3	Net interest income
20	Interest expense and similar charges	(1,273.2)	-	-	-	-	-	-	-	-	-	-	(1.9)	(1,275.1)	
40	Fee and commission income	842.8	1.2	-	-	-	-	-	-	-	-	-	4.4	735.8	Net fee and commission income
50	Fee and commission expense	(112.5)	-	-	-	-	-	-	-	-	-	-	(0.1)	(112.6)	
70	Dividends and similar income	17.0	-	(4.4)	27.6	-	-	-	-	-	-	-	-	40.2	Dividends, similar income and gains (losses) on equity investments
80	Net profit (loss) from trading	78.1	-	4.4	-	-	-	-	-	-	-	9.3	0.1	74.8	Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases
100	Gains/(losses) on disposal/repurchase of:	(10.8)	-	-	-	-	-	-	-	-	-	(0.8)	0.1	(11.5)	
	a) financial assets measured at amortised cost	(10.3)	-	-	-	-	-	-	-	-	-	(0.8)	-	(11.1)	
	b) Financial assets measured at fair value through other comprehensive income	0.1	-	-	-	-	-	-	-	-	-	-	0.1	0.2	
	c) financial liabilities	(0.6)	-	-	-	-	-	-	-	-	-	-	-	(0.6)	
110	Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss	(6.3)	-	-	-	-	-	-	-	-	-	10.1	-	3.8	
	a) financial assets and liabilities measured at fair value	4.1	-	-	-	-	-	-	-	-	-	-	-	4.1	
	b) other financial assets mandatorily measured at fair value	(10.4)	-	-	-	-	-	-	-	-	-	10.1	-	(0.3)	
90	Net profit (loss) from hedging	1.6	-	-	-	-	-	-	-	-	-	-	-	1.6	Net profit (loss) from hedging
230	Other operating expenses/income	108.3	-	-	-	(102.1)	-	-	-	-	-	-	(0.1)	6.1	Other operating income (expenses)
190	Administrative expenses:	(1,048.6)	-	-	-	75.3	102.1	30.6	8.8	2.8	0.2	-	(11.6)	(840.6)	Administrative expenses
	a) personnel expenses	(613.3)	-	-	-	-	-	-	8.8	1.2	-	-	(4.8)	(608.2)	a) personnel expenses
	b) other administrative expenses	(435.3)	-	-	-	75.3	102.1	30.6	-	1.6	0.2	-	(6.9)	(232.4)	b) other administrative expenses
210	Net adjustments to/recoveries on property, plant and equipment	(50.4)	-	-	-	-	-	-	-	0.3	-	-	(1.1)	(84.3)	Net value adjustments to property, plant and equipment and intangible assets
220	Net adjustments to/recoveries on intangible assets	(33.3)	-	-	-	-	-	-	-	-	-	-	-	(33.3)	
130	Net impairment (losses)/reversals on:	(217.8)	-	-	-	-	-	-	-	-	-	19.9	(1.2)	(204.0)	Cost of customers loans
	a) financial assets measured at amortised cost	(218.3)	-	-	-	-	-	-	-	-	-	5.2	(1.5)	(214.6)	130a) financial assets measured at amortised cost - customers
	b) financial assets measured at fair value through other comprehensive income	0.5	-	-	-	-	-	-	-	-	-	(0.5)	-	-	
			-	-	-	-	-	-	-	-	-	0.8	-	0.8	100a) Loans to customers measured at amortised cost
			-	-	-	-	-	-	-	-	-	(10.1)	-	(10.1)	110b) Loans
			-	-	-	-	-	-	-	-	-	24.5	0.4	24.9	200 a) Net provision for risks and charges related to financial guarantess and other commitments
140	Modification gains/(losses)	(4.9)	-	-	-	-	-	-	-	-	-	-	-	(4.9)	140 Modification gains (losses)
160	Net insurance premiums	-	-	-	-	-	-	-	-	-	-	-	-	(4.7)	Net impairment (losses)/reversals on securities and loans to banks
170	Other net insurance income (expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	
200	Net provision for risks and charges:	11.0	(1.2)	-	-	-	-	-	-	-	-	(24.5)	-	(14.8)	Net provisions for risks and charges
	a) commitments and guarantees issued	24.5	-	-	-	-	-	-	-	-	-	(24.5)	-	-	
	b) other net provisions	(13.5)	(1.2)	-	-	-	-	-	-	-	-	-	-	(14.8)	
250	Gains (losses) on investments	23.8	-	-	(27.6)	-	-	-	(8.8)	(3.1)	(29.5)	-	-	(3.8)	Gains (losses) on investments
			-	-	-	(75.3)	-	-	-	-	-	-	-	(41.4)	Restructuring costs /One-Off costs
			-	-	-	-	-	(30.6)	-	-	-	-	-	(75.4)	Risks and charges related to the SRF, DGS and similar schemes
			-	-	-	-	-	-	-	-	-	-	-	(30.6)	DTA Fee
260	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value	(19.3)	-	-	-	-	-	-	-	-	-	-	-	(19.3)	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value
280	Gains (losses) on disposal of investments	(6.1)	-	-	-	-	-	-	-	-	-	-	-	(6.1)	Gains (losses) on disposal of investments
290	Profit (loss) before tax from continuing operations	726.5	-	-	-	-	-	-	-	-	(29.3)	-	8.6	705.8	Profit (loss) for the period before tax
300	Tax (expense)/recovery on income from continuing operations	454.2	-	-	-	-	-	-	-	-	-	-	(1.0)	453.2	Tax (expense)/recovery on income from continuing operations
310	Profit (loss) after tax from continuing operations	1,180.7	-	-	-	-	-	-	-	-	(29.3)	-	7.6	1,159.1	Profit (loss) after tax
320	Profit (loss) after tax from groups of assets held for sale and discontinued operations	(21.6)	-	-	-	-	-	-	-	-	29.3	-	(7.6)	-	
330	Profit (loss) for the period	1,159.1	-	-	-	-	-	-	-	-	-	-	-	1,159.1	Net profit (loss) for the period
340	Profit (loss) attributable to non-controlling interests	(0.1)	-	-	-	-	-	-	-	-	-	-	-	(0.1)	Net profit (loss) attributable to non-controlling interests
	Parent company's net profit (loss) for the period	1,159.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,159.2	Parent company's net profit (loss) for the period

Reconciliation between the reclassified balance sheet and related statutory accounts as at June 2025

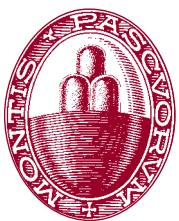
Balance-sheet Items - Assets		30/06/25	Loans to customers	trading derivatives	Securities	Loans to Banks @ AC - Loans to Central Banks	Non-current assets held for sale and disposal groups	Change in value of macro-hedged financial assets	30/06/25	Reclassified Balance-sheet Items - Assets
10	Cash and cash equivalents	11,794.3	-	-	-	-	824.0	-	12,618.3	Cash and cash equivalents
20	Financial assets measured at fair value through profit or loss	8,698.7	(147.9)	(2,244.4)	12,659.4	-	0.9	-	18,966.7	Securities assets
	a) financial assets held for trading	8,262.1	-	(2,244.4)	-	-	-	-	6,017.7	
	b) financial assets designated at fair value	-	-	-	-	-	-	-	-	
	c) other financial assets mandatorily measured at fair value	436.6	(147.9)	-	-	-	-	-	288.7	
30	Financial assets measured at fair value through other comprehensive income	1,967.5	-	-	(1,967.5)	-	-	-	-	
40	Financial assets measured at amortised cost	93,140.0	147.9	-	(10,691.9)	-	294.2	-	-	
	a) Loans to banks	3,141.8	-	-	(783.6)	(642.5)	0.6	-	1,716.3	Loans to banks
	b) Loans to customers	89,998.2	147.9	-	(9,908.3)	-	292.2	-	80,530.0	Loans to customers
50	Hedging derivatives	484.6	-	2,244.4	-	-	-	-	2,729.0	Derivatives
60	Change in value of macro-hedged financial assets (+/-)	(677.1)	-	-	-	-	-	677.1	-	
70	Equity investments	673.6	-	-	-	-	-	-	673.6	Equity investments
80	Reinsurers' share of technical reserve	-	-	-	-	-	-	-	-	
90	Property, plant and equipment	2,073.5	-	-	-	-	44.5	-	2,118.0	Property, plant and equipment
100	Intangible assets	131.4	-	-	-	-	1.6	-	133.0	Intangible assets
	- of which goodwill	7.9	-	-	-	-	-	-	7.9	- of which goodwill
110	Tax assets	2,659.7	-	-	-	-	1.0	-	2,660.7	Tax assets
	a) current	93.2	-	-	-	-	-	-	93.2	a) current
	b) deferred	2,566.5	-	-	-	-	1.0	-	2,567.5	b) deferred
120	Non-current assets held for sale and disposal groups	1,176.0	-	-	-	-	(1,176.0)	-	0.0	120 Non-current assets held for sale and disposal groups
130	Other assets	3,451.9	-	-	-	-	9.7	(677.1)	2,784.5	130 Other assets
	Total Assets	125,574.1	-	-	-	-	0.0	-	125,574.1	Total Assets

Items	Balance-sheet Items - Liabilities	30/06/25	Due to central banks	Due to banks	trading derivatives	Financial liabilities designated at fair value	Provision for staff severance indemnities	Liabilities associated with non-current assets held for sale and disposal group	Group Net Equity	30/06/25	Reclassified balance-sheet items - Liabilities
10	Financial liabilities measured at amortised cost	103,742.5				124.6		900.4		94,508.6	Direct funding
	a) due to banks	10,258.4	(8,008.5)	(2,249.9)						0.0	
	b) due to customers	83,328.4						899.9		84,228.4	a) due to customers
	c) debts securities issued	10,155.7				124.6				10,280.2	b) Securities issued
			8,008.5							8,008.5	Due to central banks
				2,249.9				0.5		2,250.4	Due to banks
20	Financial liabilities held for trading	3,345.3			(1,111.3)					2,234.0	On-balance-sheet financial liabilities held for trading
30	Financial liabilities designated at fair value	124.6				(124.6)				-	
40	Hedging derivatives	271.1								1,382.4	Derivatives
										271.1	Hedging derivatives
					1,111.3					1,111.3	trading derivatives
50	Change in value of macro-hedged financial liabilities (+/-)	-								-	
60	Tax liabilities	13.4						1.0		14.5	Tax liabilities
	a) current	9.0								9.0	a) current
	b) deferred	4.4						1.0		5.4	b) deferred
70	Liabilities associated with non-current assets held for sale and disposal groups	978.7						(978.7)		-	
										4,733.0	Other liabilities
										-	Change in value of macro-hedged financial liabilities (+/-)
								40.1		40.1	Liabilities associated with non-current assets held for sale and disposal group
80	Other liabilities	4,658.7						34.2		4,692.9	Other liabilities
90	Provisions for employees severance pay	69.3					(69.3)			(0.0)	
100	Provisions for risks and charges:	900.0					69.3	2.9		972.2	Provisions for specific use
	a) financial guarantees and other commitments	154.3					69.3	2.7		72.0	a) Provision for staff severance indemnities
	b) post-employment benefits	3.2						0.1		154.4	b) Provision related to guarantees and other commitments given
	c) other provisions	742.5						0.1		3.2	c) Pension and other post-retirement benefit obligations
	d) Other provisions									742.6	d) Other provisions
120	Valuation reserves	66.9							(66.9)	-	
150	Reserves	3,057.5							(3,057.5)	-	
										11470.3	Group net equity
									66.9	66.9	a) Valuation reserves
										0	b) Redeemable shares
										0	c) Equity Instruments
									3,057.5	3,057.5	d) Reserves
										0	e) Share premium reserve
170	Share capital	7,453.5								7453.5	f) Share capital
										-	g) Treasury shares (-)
									892.4	892.4	h) Net profit (loss) for the period
180	Treasury shares (-)	-							-	-	
190	Non-controlling interests (+/-)	0.2								0.2	Non-controlling interests
200	Profit (loss) for the period (+/-)	892.4							(892.4)	-	
	Total Liabilities and Shareholders' Equity	125,574.1	-	-	-	-	-	-	-	125,574.1	Total Liabilities and Shareholders' Equity

Reconciliation between the reclassified balance sheet and related statutory accounts as at December 2024

Balance-sheet Items - Assets		31/12/24	Loans to customers	trading derivatives	Securities	Loans to Banks @ AC - Loans to Central Banks	Non-current assets held for sale and disposal groups	Change in value of macro-hedged financial assets	31/12/24	Reclassified Balance-sheet Items - Assets
10	Cash and cash equivalents	13,249.4	-	-	-	-	780.5	-	14,029.9	Cash and cash equivalents
20	Financial assets measured at fair value through profit or loss	6,532.8	(143.6)	(2,312.2)	13,312.8	-	57.6	-	17,447.4	Securities assets
		-	-	-	13,312.8	-	57.6	-	13,370.4	
	a) financial assets held for trading	6,076.6	-	(2,312.2)	-	-	-	-	3,764.4	
	b) financial assets designated at fair value	-	-	-	-	-	-	-	-	
	c) other financial assets mandatorily measured at fair value	456.2	(143.6)	-	-	-	-	-	312.6	
30	Financial assets measured at fair value through other comprehensive income	2,337.4	-	-	(2,337.4)	-	-	-	-	
40	Financial assets measured at amortised cost	90,526.0	143.6	-	(10,975.4)	-	249.2	-	-	
		-	-	-	-	560.8	4.7	-	565.5	Loans to central banks
	a) Loans to banks	3,365.9	-	-	(737.6)	(560.8)	0.8	-	2,068.3	Loans to banks
	b) Loans to customers	87,160.1	143.6	-	(10,237.8)	-	243.7	-	77,309.6	Loans to customers
50	Hedging derivatives	94.2	-	2,312.2	-	-	-	-	2,406.4	Derivatives
60	Change in value of macro-hedged financial assets (+/-)	(411.5)	-	-	-	-	-	411.5	-	
70	Equity investments	672.3	-	-	-	-	-	-	672.3	Equity investments
80	Technical insurance reserves reassured with third parties	-	-	-	-	-	-	-	-	
90	Property, plant and equipment	2,109.1	-	-	-	-	31.1	-	2,140.1	Property, plant and equipment
100	Intangible assets	156.1	-	-	-	-	1.5	-	157.6	Intangible assets
	- of which goodwill	7.9	-	-	-	-	-	-	7.9	-of which goodwill
110	Tax assets	2,536.9	-	-	-	-	1.1	-	2,538.0	Tax assets
	a) current	104.3	-	-	-	-	-	-	104.3	a) current
	b) deferred	2,432.6	-	-	-	-	1.1	-	2,433.7	b) deferred
		-	-	-	-	-	-	-	3,266.6	Other assets
120	Non-current assets held for sale and disposal groups	1,128.7	-	-	-	-	(1,128.7)	-	0.0	Non-current held for sale and disposal groups
130	Other assets	3,670.3	-	-	-	-	7.8	(411.5)	3,266.6	Other assets
	Total Assets	122,601.7	-	-	-	-	0.00	-	122,601.7	Total Assets

Items	Balance-sheet Items - Liabilities	31/12/24	Due to central banks	Due to banks	trading derivatives	Financial liabilities designated at fair value	Provision for staff severance indemnities	Change in value of macro-hedged financial liabilities (+/-)	Liabilities associated with non-current assets held for sale and disposal groups	Group Net Equity	31/12/24	Reclassified balance-sheet items - Liabilities
10	Financial liabilities measured at amortised cost	102,751.4							912.7		93,971.9	Direct funding
	a) due to banks	9,811.3	(8,510.9)	(1,300.4)					-			a) due to customers
	b) due to customers	82,632.2							912.1		83,544.3	b) Securities issued
	c) debts securities issued	10,307.9	8,510.9			119.7			-		10,427.6	Due to central banks
				1,300.4					-		8,510.9	Due to banks
									0.6		1,301.0	On-balance-sheet financial liabilities held for trading
20	Financial liabilities held for trading	2,605.7			(987.8)				-		1,617.9	
30	Financial liabilities designated at fair value	119.7				(119.7)			-		-	
40	Hedging derivatives	358.4							-		1,346.2	Derivatives
					987.8				-		358.4	Hedging derivatives
									-		987.8	trading derivatives
50	Change in value of macro-hedged financial liabilities (+/-)	(0.7)						0.7	-		-	
60	Tax liabilities	5.6							1.0		6.6	Tax liabilities
	a) current	1.3							-		1.3	a) current
	b) deferred	4.3							1.0		5.3	b) deferred
70	Liabilities associated with non-current assets held for sale and disposal groups	976.7							(976.7)			
								(0.7)	-		3,191.2	Other liabilities
									-		(0.7)	Change in value of macro-hedged financial liabilities (+/-)
									36.1		36.1	Liabilities associated with non-current assets held for sale and disposal groups
80	Other liabilities	3,132.0							23.8		3,155.8	Other liabilities
90	Provisions for employees severance pay	69.7					(69.7)					
100	Provisions for risks and charges:	933.9					69.7		3.0		1,006.6	Provisions for specific use
	a) financial guarantees and other commitments	149.6					69.7		2.7		72.4	a) Provision for staff severance indemnities
	b) post-employment benefits	3.3									149.8	b) Provision related to guarantees and other commitments given
	c) other provisions	781							0.1		3.3	c) Pension and other post-retirement benefit obligations
	d) Other provisions										781.1	d) Other provisions
120	Valuation reserves	60.4								(60.4)		
150	Reserves	2,184.3								(2,184.3)		
											11,649.0	Group net equity
										60.4	60.4	a) Valuation reserves
											-	b) Redeemable shares
										2,184.3	2,184.3	c) Equity Instruments
											-	d) Reserves
170	Share capital	7453.5									7,453.5	e) Share premium reserve
											-	f) Share capital
										1,950.8	1,950.8	g) Treasury shares (-)
											-	h) Net profit (loss) for the period
180	Treasury shares (-)	-								-	-	
190	Non-controlling interests (+/-)	0.3									0.3	Non-controlling interests
200	Profit (loss) for the period (+/-)	1950.8								(1,950.8)	0.0	
	Total Liabilities and Shareholders' Equity	122,601.7	-	-	-	-	-	-	-	-	122,601.7	Total Liabilities and Shareholders' Equity



**MONTE
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DI SIENA**
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