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Ratings

Banco di Desio e della Brianza S.p.A.

	Rating	Outlook
Fitch	BBB-	Stable
Moody's	-	-
S&P	BBB-	Stable

Banco di Desio e della Brianza (Banco Desio), listed on the Italian stock exchange since 1995, serves as the parent company of the eponymous banking group. As a smaller, traditional commercial bank, it offers a broad range of banking and financial products, complemented by insurance services. Its business model is primarily focused on retail clients and small and medium-sized enterprises (SME). Banco Desio is predominantly owned by the long-established Lado and Gavazzi families, which together hold close to two-thirds of the bank's share capital. Notwithstanding this controlling ownership, the bank adheres to a clear governance framework that separates ownership and strategic oversight from day-to-day operational management. The group operates a network of approx. 280 branches and employs around 2,300 staff across eleven regions in Northern and Central Italy, as well as in Sardinia. Lombardy represents the core market, accounting for 36.7% of the branch network. In addition to its dominant "Banking" segment – which generated 94.5% of pre-tax profit in FY/2025 (excl. "Consolidation adjustments") – the group reports a smaller "Parabanking" segment, contributing 5.4%. The loan portfolio is primarily composed of exposures to households (FY/2025: 42.9%) and non-financial corporates (32.4%). Within the retail segment, 60.0% of loans are residential mortgage lending. Geographically, the portfolio is highly concentrated in Italy (FY/2025: 97.3%), with only marginal exposure to foreign markets. Banco Desio's funding structure is chiefly based on a stable deposit base, with customer deposits accounting for 80.5% of total funding in FY/2025, supplemented by wholesale funding (19.5%).

Homepage

www.bancodesio.it

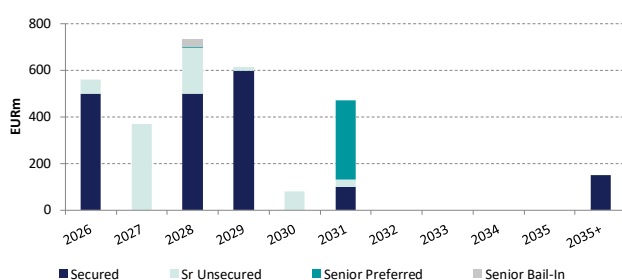
Balance Sheet

(EURm)	2024Y	2025Y	2026Q1
Net Loans to Customers	14,513	15,522	15,423
Total Securities	1,213	1,516	1,553
Total Deposits	13,281	13,517	13,121
Tier 1 Common Capital	1,354	1,389	1,393
Total Assets	18,635	19,564	19,307
Total Risk-weighted Assets	7,930	7,606	7,697

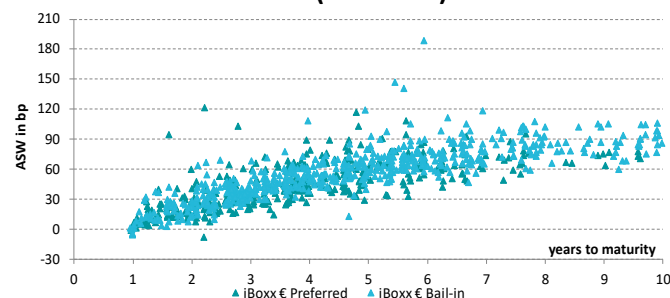
Income Statement

(EURm)	2024Y	2025Y	2026Q1
Net Interest Income	384	347	87
Net Fee & Commission Inc.	207	234	66
Net Trading Income	5	15	4
Operating Expense	414	412	101
Credit Commit. Impairment	44	36	8
Pre-tax Profit	188	194	59

Redemption Profile



Senior Unsecured Bonds (EUR BMK)



Company Ratios

	2024Y	2025Y	2026Q1		2024Y	2025Y	2026Q1
Net Interest Margin	2.22	1.95	1.87	Liquidity Coverage Ratio	191.64	208.82	216.30
ROAE	8.96	8.67	9.99	IFRS Tier 1 Leverage Ratio	7.29	7.12	7.24
Cost-to-Income	64.03	64.16	60.04	NPL/Loans at Amortised Cost	2.64	2.26	2.44
Core Tier 1 Ratio	17.08	18.27	18.10	Reserves/Loans at Amort. Cost	2.16	1.91	-

As of: 22 June 2026; Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research

Strengths / Opportunities

- Strong regional footprint
- Broadly diversified retail funding base
- Asset quality

Risks / Weaknesses

- Revenue diversification relative to peers
- Profitability
- Geographic diversification

Covered Bonds

Outstanding covered bond volume amounts to EUR 1.85bn

Banco Desio operates a single covered bond programme, exclusively issuing mortgage-backed covered bonds. As at the reporting date of 31 March 2026, the cover pool amounts to approx. EUR 2.5bn. This compares to outstanding covered bonds totalling EUR 1.85bn, resulting in a calculated overcollateralisation level of 36.0%. Banco Desio has so far been active only once as an issuer of covered bonds in the EUR sub-benchmark format. On 05 September 2023, it successfully placed its inaugural issuance in this format, with a volume of EUR 400m. In addition to this sub-benchmark transaction, Banco Desio currently has two EUR benchmark-sized covered bonds outstanding, with an aggregate volume of EUR 1.0bn.

Programme data

31 March 2026	Mortgage
Covered bonds outstanding	EUR 1.85bn
Cover pool volume	EUR 2.52bn
Current OC (nominal / legal)	36.0% / 5.0%
Type primary cover	100% Residential
Main country	100% Italy
Main region	35.7% Lombardia
Number of loans	27,190
Share top 10 exposures	0.7%
NPL	0.0%
Fixed interest (Cover Pool / CBs)	87.1% / 100%
WAL (Cover Pool / CBs)	16.1y / 3.2y
CB Rating (Fitch / Moody's / S&P)	AA+ / - / -

Source: Issuer, rating agencies, Bloomberg, NORD/LB Floor Research

Spread overview (SBMK) – Italy



Cover assets are exclusively located in Italy

As at 31 March 2026, Banco Desio's cover pool consists almost exclusively of primary cover assets (93.7%), all of which are geographically located in Italy. The primary cover pool is entirely composed of residential mortgage assets. These predominantly comprise owner-occupied housing (84.2%), followed by second homes and holiday properties (15.8%). The average loan size of the mortgages included in the cover pool amounts to approx. EUR 86,700. By loan size distribution, exposures in the "EUR 100,000 to EUR 150,000" segment represent the largest share of primary cover assets, accounting for 24.3%. Geographically, the mortgage portfolio is diversified across most Italian regions, with a concentration in Lombardy (35.7%), followed by Lazio (15.3%) and Umbria (12.0%). 87.1% of the loans in the cover pool carry a fixed interest rate – the corresponding share of fixed-rate covered bonds stands at 100%. The average current loan-to-value (LTV) ratio, on a non-indexed basis, is reported at 60.0%, while the indexed LTV – reflecting changes in residential property prices – stands at 44.7%.

Rating and regulatory treatment

The mortgage covered bonds issued by Banco Desio are rated AA+ by Fitch. Due to the rating characteristics, a risk weight of 10% in accordance with CRR is also decisive for covered bonds. In the context of LCR management, we believe the issuer's EUR sub-benchmarks are suitable as Level 2A assets. Furthermore, the issuer's covered bonds are eligible as collateral in Eurosystem monetary policy operations and may be marketed under the "European Covered Bond (Premium)" label.

Appendix

Contacts at NORD/LB

Floor Research



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Institutional Sales MM/FX	+49 511 361-9460
Fixed Income Relationship Management Europe	+352 452211-515
Retail & Structured Products	+49 511 361-9420

Origination & Syndicate

Origination FI	+49 511 9818-6600
Origination Corporates	+49 511 361-2911

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Liquidity Management/Repos	+49 511 9818-9620 +49 511 9818-9650
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Trading

Covereds/SSA	+49 511 9818-8040
Financials	+49 511 9818-9490
Governments	+49 511 9818-9660
Länder/Regionen	+49 511 9818-9660
Frequent Issuers	+49 511 9818-9640

Sales Wholesale Customers

Firmenkunden	+49 511 361-4003
Asset Finance	+49 511 361-8150

Relationship Management

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Öffentliche Kunden	rm-oek@nordlb.de

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